

ILWU and grain elevators reach tentative agreement

Premium

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The International Longshore and Warehouse Union reached a tentative agreement on a contract with a group of grain elevator operators represented by the Pacific Northwest Grain Handlers Association last night just prior to midnight after more than two years of negotiations, said the Federal Mediation and Conciliation Service.

The federal agency, whose mediators assisted the two sides in negotiations, said it would neither comment on nor disclose the terms of the agreement, which replaces an agreement that expired in September 2012.

The negotiations have garnered wide attention not only because the effect they have had on grain exports, but because ILWU leadership has repeatedly taken breaks from the ongoing talks with the Pacific Maritime Association over a new agreement for 20,000 longshoremen and clerks in 29 ports up and down the West Coast. A new agreement would replace a contract that expired July 1. ILWU and PMA have repeatedly said they will continue to keep cargo moving during those negotiations, which are expected to resume this week.

Scot L. Beckenbaugh, acting director of the FMCS, said the grain negotiations involved "difficult and contentious bargaining for over two years, including multiple marathon mediation sessions held under the auspices of the FMCS."

He said "announcement of the tentative agreement, subject to the ratification of ILWU membership, represents an amazing achievement of a potentially positive outcome in a labor dispute that has gained national attention.

He said the ILWU, with its recommendation, will submit the tentative agreement to its members for ratification.

The Pacific Northwest Grain Handlers Associations represented Louis Dreyfus Commodities, which has elevators in Seattle and Portland; Marubeni-Columbia Grain in Portland; and Mitsui-United Grain in Vancouver, Wash. The union reached a separate agreement with another member of the association, TEMCO, a joint venture between Cargill and CHS, in February 2013. The joint venture has three elevators in Portland, Tacoma and Kalama, Wash. But under this agreement, TEMCO could benefit from terms negotiated by the association.

Longshore workers were locked out by Mitsui-United Grain — the nation's largest grain elevator — in February 2013 and Marubeni-Columbia Grain in May 2013. The lockout at United Grain followed what the company said was sabotage of equipment.

Since then, there have also been complaints about threats on the picket lines — leading to disruptions in official grain inspection and weighing services provided by Washington State Department of Agriculture under a contract from the Federal Grain Inspection, Packers and Stockyard Administration.

Edward Avalos, the USDA undersecretary of marketing and regulatory programs, said earlier this month that the USDA did not believe the situation at the Port of Vancouver would ensure safe access to the United Grain facility and was conditionally withholding official grain weighing and inspection services. That prompted a letter from United Grain to the American Farm Bureau Federation that said Avalos' excuses were "as credible as 'the dog ate my homework.'" United Grain said denial of inspection services was hurting its business, and threatening the farmers and customers it serves. It accused the grain inspection service of colluding with Washington state officials and "using the pretext of safety concerns as justification for a political decision to deny essential inspection services."

Beckenbaugh said, "The FMCS commends both labor and management representatives for their successful negotiation and for their commitment and dedication to the process of collective bargaining. Clearly, the parties maintained strongly held competing views on the many issues that divided them during this process. In the end they found a way, in the time-honored tradition of the collective bargaining process, to reach mutually agreeable solutions that will allow the employees and the employers to move forward in their relationship. Equally important

to our nation is the knowledge that this tentative agreement, subject to the approval of affected ILWU membership, represents the opportunity to ensure that grain exports important to the U.S. economy and the world will proceed without disruption for years to come.

“These were difficult and contentious negotiations, to be certain. I am grateful for the professionalism and cooperation the parties exhibited in mediation process during which they were able to reach what they believe will be acceptable and mutually beneficial solutions to the issues which have separated them for so long. I especially commend the leadership demonstrated by the representatives of ILWU and the representatives of the Grain Handlers. Though fierce in their representation of their respective positions, they never lost sight of their responsibility to reach a mutually acceptable solution,” he added.