

Peter Friedmann's View from DC
September 2022

This month's 'View' focuses on the two transportation issues that are foremost on the minds of the Executive and Legislative branches, and could have a significant impact on the Midterm Elections and thus which party is in the majority in the House and Senate for the remainder of President Biden's term.

Rail

When a "settlement" was first announced, the general expectation was that the rail strike that would have rapidly brought the US economy to its knees, was averted by agreement for a two week "cooling off" period. However, it became clear that the exact end date of the railroad/union cooling off period is undetermined; it will be *at least* two weeks but could be several weeks; according to the unions it will depend on how long it takes to tally the votes of the rank-and-file. While the President and Sec. Labor Walsh are working hard to get the unions to the terms, there is no guarantee that they will, in which case Congress could pass legislation mandating 'back to work'. This would be strongly opposed by the unions and their supporters on the Hill, who may constitute the majority. My own view is that one way or another, there will not be a nationwide rail strike, even if rail customers will have to grapple with extended uncertainty as the union and rails, under severe political pressure, continue to work as negotiations continue.

Longshore

West Coast longshore – predictions are a fool's errand. Many predicted WC port work stoppages, and the collapse of the international supply chain for US exports and US imports of manufacturing components and consumer goods would occur when ILWU-PMA contract expired end of June. When that didn't happen, they predicted the contract would be agreed-to in August. Neither happened.

Talks between the Pacific Maritime Agreement (the ocean carriers and terminal operators) and ILWU longshore union, continue without evidence of progress, but also without evidence of major hurdles. The ILWU-Machinists Union jurisdictional conflict, has been ongoing for several years, but a National Labor Relations Board decision giving the Machinists the right to do some maintenance and repair work, has more or less settled the matter, for now. The ILWU security guard local in LA/LB has tentatively agreed on a new contract with the terminal operators, removing a possible hiccup. Like the rail negotiations, the overall West Coast longshore negotiations they have the President's, Congress' and Labor Secretary's attention and efforts. Our own information is that the West Coast US Senators are also being engaged to keep ILWU and PMA at the negotiating table.

How these two transportation and labor issues are resolved could have far reaching ramifications; all of government is either engaged in impacting the resolution, or monitoring closely.

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