

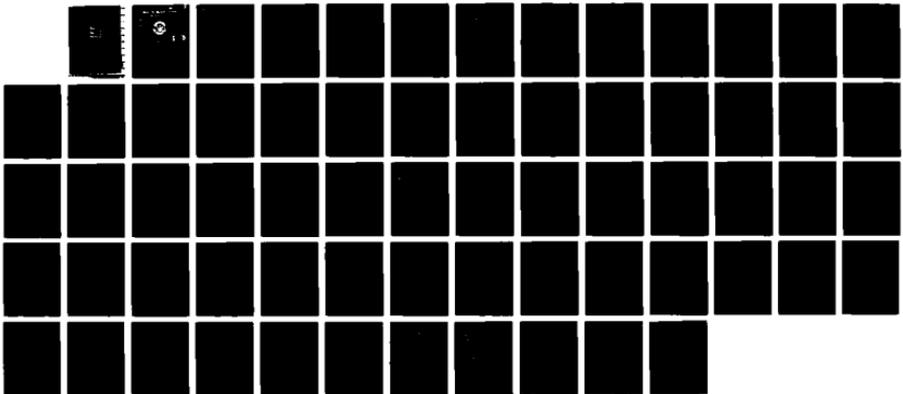
AD-A181 794

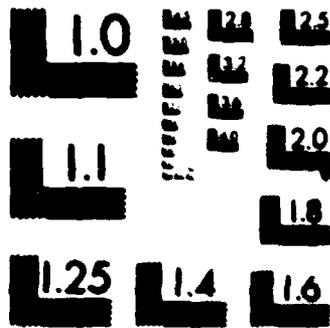
A STUDY OF MARITIME LABOR UNIONS WITH AN EMPHASIS ON
THE TREND OF WAGES AND BENEFITS OVER THE PAST TEN YEARS
(U) NAVAL POSTGRADUATE SCHOOL MONTEREY CA D J MCCALLA
MAR 87 F/G 5/1

1/1

UNCLASSIFIED

NL





MICROCOPY RESOLUTION TEST CHART
NATIONAL BUREAU OF STANDARDS-1963-A

DTIC FILE COPY

2

NAVAL POSTGRADUATE SCHOOL

Monterey, California

AD-A181 794



DTIC
ELECTE
JUL 02 1987
S D
E

THESIS

A STUDY OF MARITIME LABOR UNIONS WITH AN
EMPHASIS ON THE TREND OF WAGES AND BENEFITS
OVER THE PAST TEN YEARS

by

Denise J. McCalla

March 1987

Thesis Co-Advisors:

Dan C. Boger
R. A. Weitzman

Approved for public release; distribution is unlimited

UNCLASSIFIED

SECURITY CLASSIFICATION OF THIS PAGE

REPORT DOCUMENTATION PAGE

1a REPORT SECURITY CLASSIFICATION UNCLASSIFIED			1b RESTRICTIVE MARKINGS			
2a SECURITY CLASSIFICATION AUTHORITY			3 DISTRIBUTION/AVAILABILITY OF REPORT Approved for public release; distribution is unlimited			
2b DECLASSIFICATION/DOWNGRADING SCHEDULE			5 MONITORING ORGANIZATION REPORT NUMBER(S)			
4 PERFORMING ORGANIZATION REPORT NUMBER(S)			5 MONITORING ORGANIZATION REPORT NUMBER(S)			
6a NAME OF PERFORMING ORGANIZATION Naval Postgraduate School		6b OFFICE SYMBOL (if applicable) Code 54		7a NAME OF MONITORING ORGANIZATION Naval Postgraduate School		
6c ADDRESS (City, State, and ZIP Code) Monterey, California 93943-5000			7b ADDRESS (City, State, and ZIP Code) Monterey, California 93943-5000			
8a NAME OF FUNDING/SPONSORING ORGANIZATION		8b OFFICE SYMBOL (if applicable)		9 PROCUREMENT INSTRUMENT IDENTIFICATION NUMBER		
8c ADDRESS (City, State, and ZIP Code)			10 SOURCE OF FUNDING NUMBERS			
			PROGRAM ELEMENT NO	PROJECT NO	TASK NO	WORK UNIT ACCESSION NO
11 TITLE (Include Security Classification) A STUDY OF MARITIME LABOR UNIONS WITH AN EMPHASIS ON THE TREND OF WAGES AND BENEFITS OVER THE PAST TEN YEARS						
12 PERSONAL AUTHOR(S) McCalla, Denise J.						
13a TYPE OF REPORT Master's Thesis		13b TIME COVERED FROM TO		14 DATE OF REPORT (Year, Month, Day) 1987, March		15 PAGE COUNT 64
16 SUPPLEMENTARY NOTATION						
17 COSATI CODES			18 SUBJECT TERMS (Continue on reverse if necessary and identify by block number)			
FIELD	GROUP	SUB-GROUP	Maritime Labor Unions; Wages and Benefits			
19 ABSTRACT (Continue on reverse if necessary and identify by block number) This study examines the history of five Maritime Labor Unions with an emphasis on the trend of wages and benefits over the past ten years (1976-1986). The five unions studied are: National Maritime Union of America (NMU); Seafarers' International Union of North America (SIUNA); International Organization of Masters, Mates and Pilots (NMP; National Marine Engineers Beneficial Association (MEBA); and the American Radio Association (ARA).						
20 DISTRIBUTION/AVAILABILITY OF ABSTRACT <input checked="" type="checkbox"/> UNCLASSIFIED/UNLIMITED <input type="checkbox"/> SAME AS RPT <input type="checkbox"/> DTIC USERS				21 ABSTRACT SECURITY CLASSIFICATION Unclassified		
22a NAME OF RESPONSIBLE INDIVIDUAL Prof. Dan C. Boger			22b TELEPHONE (Include Area Code) (408) 646-2607		22c OFFICE SYMBOL Code 54Bk	

Approved for public release; distribution is unlimited

**A Study of Maritime Labor Unions with an Emphasis on the
Trend of Wages and Benefits over the Past Ten Years**

by

**Denise J. McCalla
Lieutenant, United States Navy
B.A., Northeastern Illinois University, 1978**

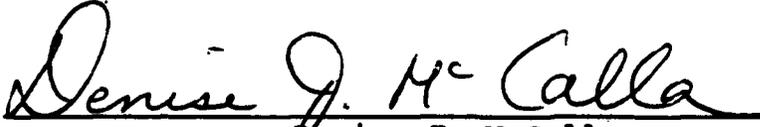
Submitted in partial fulfillment of the
requirements for the degree of

MASTER OF SCIENCE IN MANAGEMENT

from the

**NAVAL POSTGRADUATE SCHOOL
March 1987**

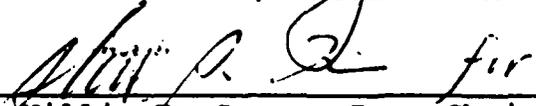
Author:

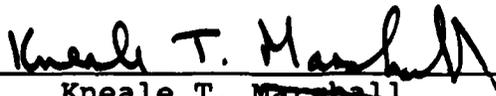

Denise J. McCalla

Approved by:


Dan C. Boger, Thesis Co-Advisor


R. A. Weitzman, Thesis Co-Advisor


Willis R. Greer, Jr., Chairman
Department of Administrative Sciences


Kneale T. Marshall,
Dean of Information and Policy Sciences

ABSTRACT

This study examines the history of five Maritime Labor Unions with an emphasis on the trend of wages and benefits over the past ten years (1976-1986). The five unions studied are: National Maritime Union of America (NMU); Seafarers' International Union of North America (SIUNA); International Organization of Masters, Mates and Pilots (NMP); National Marine Engineers Beneficial Association (MEBA); and the American Radio Association (ARA).

*Keywords: thesis;
collective bargaining*

Accession For	
NTIS GRA&I	<input checked="" type="checkbox"/>
DTIC TAB	<input type="checkbox"/>
Unannounced	<input type="checkbox"/>
Justification	
By _____	
Distribution/	
Availability Codes	
Dist	Avail and/or Special
A-1	



TABLE OF CONTENTS

I.	INTRODUCTION -----	7
	A. OBJECTIVE OF STUDY -----	8
	B. METHODOLOGY -----	9
	C. THESIS ORGANIZATION -----	9
II.	HISTORY OF THE MARITIME LABOR UNIONS -----	10
	A. INTRODUCTION -----	10
	B. NATIONAL MARITIME UNION (NMU) -----	11
	C. SEAFARERS INTERNATIONAL UNION OF NORTH AMERICA (SIU) -----	14
	D. INTERNATIONAL ORGANIZATION OF MASTERS, MATES, AND PILOTS OF AMERICA (MMP) -----	15
	E. NATIONAL MARINE ENGINEERS BENEFICIAL ASSOCIATION (MEBA) -----	17
	F. THE AMERICAN RADIO ASSOCIATION (ARA) -----	21
III.	TRENDS IN WAGES AND BENEFITS -----	24
	A. INTRODUCTION -----	24
	B. HOW AGREEMENTS ARE REACHED -----	25
	C. TRENDS IN EMPLOYMENT -----	27
	D. TRENDS IN WAGES -----	32
	E. TRENDS IN BENEFITS -----	36
IV.	MILITARY SEALIFT COMMAND (MSC) AND THE MARITIME LABOR UNIONS -----	39
	A. INTRODUCTION -----	39
	B. HOW AGREEMENTS ARE REACHED -----	39
	C. WAGES AND BENEFITS -----	40

V. SUMMARY AND RECOMMENDATIONS -----	42
A. GENERAL -----	42
B. SUMMARY -----	42
C. RECOMMENDATIONS -----	43
APPENDIX A: SEAFARING COLLECTIVE BARGAINING AGREEMENT--WAGE INCREASES -----	44
APPENDIX B: SEAFARING COLLECTIVE BARGAINING AGREEMENT--VACATION BENEFITS -----	50
APPENDIX C: TABLE OF ABBREVIATIONS -----	60
LIST OF REFERENCES -----	61
INITIAL DISTRIBUTION LIST -----	63

ACKNOWLEDGMENTS

The writer wishes to express her deepest appreciation to her many friends, especially Mr. Frank Samuels and Captain Patrick Bailey, USMC for their constant encouragement and support. Among the many people who made available a great deal of written material are the staff of Dudley Knox Library, Naval Postgraduate School; Transportation Library at U.C. Berkeley; the New York Maritime College; Mr. Les Bartholow, Office of Maritime Labor and Training, Maritime Administration, Washington, D.C. Finally, the author gives thanks to God, the Creator, who makes all things possible if we only have faith and believe.

I. INTRODUCTION

The United States Merchant Marine is divided into two fleets. The largest is privately owned, and the other is owned by the government. The government-owned fleet is divided into active and inactive fleets. The active fleet is under the control of the Navy's Military Sealift Command. The inactive fleet consists of ships in the National Defense Reserve Fleet, which is maintained by the Maritime Administration at locations on the Atlantic, Gulf, and Pacific coasts.

There are five major types of merchant ships in the privately owned fleet: general cargo or break-bulk freighters, bulk dry cargo carriers, tankers, combination passenger/cargo ships that carry up to 125 passengers, and passenger ships carrying more than 125 passengers and very little cargo. [Ref. 1:p. 20]

At the beginning of 1975, the U.S. flag privately-owned merchant marine consisted of 583 ships totaling 14.4 million deadweight tons (dwt). They are comprised of 20 types made up largely of general cargo freighters, containerships, partial containerships, barge carriers known as LASH and Seabee tankers, tankers, bulk carriers, roll-on/roll off (Ro/Ro) ships, chemical tankers, liquid petroleum gas (LPG) carriers, and bauxite carriers. [Ref. 1:p. 20]

The ships are owned by banks, leasing companies, subsidiary corporations of oil companies, and industries in aluminum and steel involved in domestic and foreign trades.

Most industries' profits tend to fluctuate with supply and demand. The maritime industry is no exception. Because of the intensely competitive international market in which they operate, the industry appears to be more responsive to the economic changes in the market place.

During and prior to the 1930's, the harsh conditions and treatment by shipping companies of seamen gave rise to many unions. Unions' control of the labor supply enabled them to dictate contract terms to shipping companies. During the 1950's and 1960's, as ships became more modern and unions gained power, shipping companies were forced to accept restrictive and cumbersome work rules and manning practices.

In the 1970's, the steady decline of ships resulted in a similar decline in the number of jobs. Today, there are more seamen than jobs. Consequently, many of the shipping companies are looking to hire lower-cost, non-union labor. This action by companies has forced the unions to make concessions in the area of wages and benefits.

A. OBJECTIVE OF STUDY

The purpose of this study is to examine the history of five major maritime labor unions with specific emphasis on the trend of wages and benefits over the past ten years. Additionally the study will look at the interaction between the Military Sealift Command and some of these unions.

B. METHODOLOGY

Much of the research for this study was conducted through a comprehensive review of published literature on maritime labor unions. Data on the trend of wages and benefits for each union were provided upon request by the Maritime Administration, Washington, D.C.

C. THESIS ORGANIZATION

The thesis is organized into six chapters. Chapter I provides a brief introduction to the thesis topic, discusses the purpose of the thesis, methodology used, and thesis organization. Chapter II presents a brief history of each of the five maritime labor unions. Chapter III examines the trends in wages and benefits of each of these unions and presents an analysis of these trends. Chapter IV looks at the interaction between some of these labor unions and the Military Sealift Command. Chapter V presents a summary and some recommendations.

II. HISTORY OF THE MARITIME LABOR UNIONS

A. INTRODUCTION

The organization of unions in the maritime industry was driven by the need to elevate the seamen to first-class citizenship. Prior to the unions, seamen were subject to slave-like working conditions and low wages. Up until 1898, it was permissible for the master of a ship to beat, imprison and withhold food from a sailor. [Ref. 2:p. 528]

To fight against these conditions, the first seamen's union on record, the Marine Engineers Beneficial Association (MEBA), was formed in 1875 and is still in existence today. Many unions were formed after 1875 but few remained in existence long enough to have any influence. The unions included in this study are those that survived the strenuous efforts to organize. A brief discussion follows on the history of each union.

Unlike the organizational period of the unions (1800-1900), today a cooperative relationship exists between seafaring unions and shipowners. Negotiated wages are fairly high and fringe benefits are reasonable. Seafaring workers are divided into two categories: licensed and unlicensed seamen. Licensed seamen are essentially officers and engineers with specialized skills and training. They are primarily represented by three unions: (1) The

International Organization of Masters Mates and Pilots, which represents licensed deck officers; (2) The Marine Engineers Beneficial Association, who represent licensed engineers; and (3) The American Radio Association, which represents licensed radio officers. The other unlicensed seamen are primarily members of the National Maritime Union of America or the Seafarer's International Union.

B. NATIONAL MARITIME UNION (NMU)

The history of the National Maritime Union is the story of the rise of the American seaman from social and economic outcast to respected and valued citizen [Ref. 3:p. vii]. The union dates back to May 3, 1937, when at a mass rally of seamen in New York City the union was officially founded under the leadership of Joe Curran.

The story begins in 1922 when Joe Curran decided on seaman-ship instead of attending regular school. He discovered in his seagoing ventures that shipowners and skippers cared little about the conditions of the seaman. Rotten food, abuse, and horrible living conditions were the norm. Curran began reading books on economics, politics, parliamentary procedures, and trade union organization. He served as union delegate, and before long, he became an aggressive and effective spokesman and was looked upon by his fellow seamen for support in fighting for better conditions aboard ship.

Curran and his shipmates' first revolution against conditions at sea was on March 1, 1936 onboard the SS

California. This event later became known as The Spring Strike of 1936 against conditions at sea. [Ref. 3:p. 28] It is also said to be the origin of what was to later become the National Maritime Union and the recognition of seamen as first class citizens. [Ref. 3:p. 27]

At the time of the Spring Strike, the International Seamen's Union (ISU) had already been in existence since 1895. However, ISU refused to support the strikers and the strike continued until shipowners made improvements in conditions. A product of the strike was the Seaman's Defense Committee, a permanent committee under the chairmanship of Joe Curran.

By fall of 1936 yet another strike was evident. This time 20,000 East and Gulf coast ISU members were making demands. Meanwhile the West Coast seamen were also getting restless. The West Coast seamen had staged a bloody strike in 1934 and won some demands, but their conditions were again deteriorating. The Seamen's Defense Committee saw this as an opportunity for solidarity between East and West. So, unlike the Spring Strike of 1936, a more organized strike was called in support of the West.

The strike did not end until January 24, 1937 when the ISU agreed to write many of the committee's requests into a contract between the companies. Although this action by the shipowners brought an end to the strike, it did not stop

Curran from seeking more permanent rights for seamen from the ISU board. Curran reports,

it was clear at the meeting that it would take drastic action to loosen the dead hand of the ISU leaders from the seamen's cause. Until then corruption would go on, dictatorial control would continue--probably be intensified; no real fight would be made for honest hiring practices, decent conditions, first class citizenship for seamen. Even with constant pressure from the rank-and-file, the ISU would move at its own pace and, in time, probably succeed in nullifying the committee. [Ref. 3:p. 39]

Unable to get the ISU board to meet his demands, "a manifesto was issued calling on the East and Gulf Coast seamen to join in forming an honest, democratic industrial union which will lead the way and liberate American seamen from the bonds of exploitation in which we have been held too long." [Ref. 3:p. 39] Thus, the official birth of the National Maritime Union occurred on May 3, 1937. By this time membership had soared to over 35,000 members, making the NMU bigger than the ISU.

Shortly after its organization, the NMU membership voted to affiliate with the Congress of Industrial Organization (CIO). Thereafter it petitioned the National Labor Relations Board (NLRB) for representational elections on most East Coast shipping lines [Ref. 4:p. 213]. The AFL, recognizing the strength of the NMU, revoked the charter of the ISU and organized the East Coast seamen in its own union directly affiliated with the AFL. "Then, in 1938, the AFL chartered the Seafarers International Union of North America (SIU) to contest the NMU in the maritime, seagoing

jurisdiction. The SIU, which had the greatest strength in the West had little success when challenging the NMU in the East." [Ref. 4:pp. 213-214] Meanwhile the Communist faction in NMU had gotten stronger. During World War II the struggle between communist and non-communist members in the organization subsided but picked up momentum after the war. The communist issue was discussed at NMU's 1947, 1948 and 1949 conventions. By 1949 under the strong leadership of Curran, a constitutional amendment was passed "barring Communist, Nazi, Fascist, or other subversive organizations from membership in the NMU." [Ref. 4:p. 214]

NMU remained a strong union throughout the 50's and 60's. The jurisdictional disputes continued with SIU. By 1971 membership in the SIU was 80,250 and NMU 50,000. [Ref. 4:p. 214]

C. SEAFARERS INTERNATIONAL UNION OF NORTH AMERICA (SIU)

The Seafarers' Union was formed by those ISU members remaining after the NMU split in 1937. These members reorganized and resumed union activities in October 1938 under the new name of Seafarers' International Union. They affiliated with the AFL and immediately engaged in an aggressive organizational campaign along the Atlantic and Gulf Coasts and on the Great Lakes.

It claims jurisdiction over unlicensed personnel in all departments throughout the industry including fishermen and inland boatmen. This brings the SIU in direct competition with NMU along the Pacific, Gulf and East coasts and on the Great Lakes. [Ref. 5:p. 2]

SIU is composed of semi-autonomous affiliated unions such as the Sailors Union of the Pacific (SUP) which is strictly a West Coast organization; the Pacific Coast Marine Firemen, Oilers, Watertenders and Wipers Association (MFU); and the Marine Cooks and Stewards Union (MCS).

D. INTERNATIONAL ORGANIZATION OF MASTER, MATES, AND PILOTS OF AMERICA (MMP)

In researching the history of MMP, it appears that the birth of this union came as a result of a tragic accident in a New York harbor on June 28, 1880. The SS Seawanhaka captained by a Captain Charles Smith caught fire and many lives were lost before Captain Smith, overcome by smoke, was able to get the ship under control.

Despite Captain Smith's heroic attempt to save the ship and its crew, he and his engineer were arrested on charges of manslaughter and later imprisoned without a hearing before the Board of Local Inspectors of Steamvessels. It was common knowledge that the seaworthiness of the ship was questionable. This was not taken into consideration--neither were the owners of the Seawanhaka questioned.

The denial of the board to hear Captain Smith and his colleagues was viewed by the seagoing community as a grave injustice. This prompted Captains Luther B. Dow and Frank H. Ward to form a committee to fight for justice on their behalf. Up until this incident, there had been one local

association of licensed pilots of steam vessels. Captain Ward decided it was time for a national association.

He invited a number of licensed pilots. "That meeting was held onboard the New York City Charities steamer Minnahanonck, at East Twenty-sixth street, on January 17, 1887, the twenty seven licensed men in attendance there and then organized themselves into the American Brotherhood of Steamboat Pilots." [Ref. 6:p. 281] This group became No. 1 of the American Brotherhood of Steamboat Pilots. Within six months more harbors sprang up in New York, Massachusetts, and New Jersey.

The Brotherhood listed as its primary objective, "the regulation of matters pertaining to our crafts, the elevation of their standing as such, and their character of men." Membership was restricted to "any white person of good moral character, in sound health, and a firm believer in God, the Creator of the Universe, holding a United States license with 2 years experience on water craft." [Ref. 4:p. 215]

By 1893, it became evident that growth was the key to influence. The Brotherhood became aware that the title of steamboat pilot restricted their image as a top organization of deck officers. Licensed Masters had been members of the organization for some time but the Association was not being recognized for service to Masters. At the January 1893 Convention, the Brotherhood made the first in a number of title changes to more accurately reflect its membership.

The title was changed to American Association of Masters and Pilots of steam vessels of the United States.

From 1893 to 1905, the association attempted to define more clearly its purpose and goals. More harbors were added, the bulk of which were on the Great Lakes. Membership continued to be limited to "whites." In 1905 the jurisdiction was expanded to include "officially licensed masters, mates and pilots of the lake, bay, river, and ocean steamers and sailing vessels, and operators of motorboats." [Ref. 4:p. 215] As a result, the name changed in 1916 to Masters, Mates, and Pilots of America, National Union (MMPANU). It was about this time that the association became affiliated with the AFL.

After attaining a membership in excess of 9,000 by 1921, the MMPANU suffered a steady decline in strength through the 1920's and into the early years of the Great Depression. By 1935 the MMPANU paid per-capita taxes to the AFL on only 2,200 members. An improving economy, the National Labor Relations Act, and the mobilization effort during World War II signaled a substantial recovery for the MMPANU, which regained its previous losses and succeeded in organizing most of the workers within its trade jurisdiction. [Ref. 4:p. 215]

On September 23, 1954, with approval of the AFL, another title change was made to reflect the inclusion of Canadian locals. The name changed to International Organization of Masters, Mates and Pilots (IOMMP).

E. NATIONAL MARINE ENGINEERS BENEFICIAL ASSOCIATION (MEBA)

The job of a Marine Engineer was considered one of the most dangerous in the industry. Boilers were known to

frequently blow up injuring engineers and in some cases causing death. In 1838, Congress passed the first Steamboat Act. It required shipowners to "employ a competent number of experienced and skilled engineers." [Ref. 7:p. 5] The engineers tried to include in the law a requirement for examination and licensing but were unsuccessful. Consequently, the law was generally ineffective in reducing hazardous working conditions.

Despite the law, the explosions continued. The engineers then began to form associations along the Ohio and Mississippi to bring pressure for stronger legislation. The associations were to be strictly "professional societies" with no interest in labor negotiations.

In 1853, associations were formed in Cincinnati, Pittsburgh and Louisville. The law had encouraged the engineers to take a stronger position against unsafe working conditions. The associations started to shed their image of just being professional societies and were formulating wage schedules and participating in strikes.

More important to the future of the MEBA was the formation in 1854, of the Buffalo Association of Engineers; this and other lake associations played the leading role in the formation of the Union, and provided its major strength for the first 35 years. [Ref. 7:p. 7]

The Buffalo Association, in an attempt to broaden the organization, united with the International Association of Marine Engineers of North America. The vessel owners retaliated by blacklisting the leaders forcing the

International Association into dormancy. However, the idea of an association did not die. In 1874, the Buffalo Association of Engineers invited other associations around the country to form a national organization of licensed steamboat engineers. Later, the American Marine Engineer was to offer this report on the events that followed:

Mr. Charles Clark, of Buffalo, in the letter of 1874, sent a letter to some of the marine engineers of the United States, in which he set forth . . . the necessity for concerted action on the part of the Marine engineers of the country, if they expected to remove existing wrongs that made their trade so inferior from a wage earning point of view. . . . The American shipping industry is divided in three distinct sections, the oceans, the lakes and the western rivers, and the engineers in each section had, from time to time, been organized, and while there were in existence prosperous local organizations, there . . . never had been any solidifying of these into a National organization. [Ref. 7:pp. 7-8]

As a result of this letter, on February 23, 1875, the National Marine Engineers Association was founded. Beneficial was added to the name in 1883. The official objective designated for the new organization was "the elevation and maintenance of the rights of the craft and the regulation of all other business matters in which the engineer . . . may be interested. [Ref. 7:p. 8]

The early years of the association were spent trying to keep aliens from becoming engineers. A strong push by the association led to the passing of legislation prohibiting the Steamboat Inspection Service from licensing aliens. "During the agitation, the MEBA gradually transformed itself from a professional and beneficial society into a trade

union. In 1891 it called its first strike to prevent a wage reduction on the Great Lakes." [Ref. 4:p. 209]

MEBA's membership grew rapidly during the period 1897-1904. Membership numbered approximately 11,000 in more than 100 local associations. Formation of the Lake Carrier's Association hampered the progress of the union for a while and before long succeeded in eliminating most of the trade unions in the maritime industry on the Great Lakes. However, MEBA's activities continued on the East, West and Gulf coasts.

The World War I years boosted membership. But at the end of the war, half the government's fleet and about 15 percent of the privately-owned vessels went into retirement. As a result, shipowners started calling for wage and benefits reduction. The unions refused. They had fought hard to get what they had and would not give up without a fight.

These conditions led to the highly publicized maritime strike of May 1, 1922. The strike was broken in part, when the leadership of MEBA, against the wishes of the membership, signed an agreement in June. The return to work of critically important skilled engineers greatly facilitated the employer's efforts to break the strike of less skilled workers, especially during this period of great unemployment. [Ref. 4:p. 210]

MEBA affiliated with the American Federation of Labor (AFL) in 1916 but later pulled out when it kept losing members to the AFL. They remained independent until 1937 when they affiliated with the Congress of Industrial Organization.

The years between the two world wars were ones of decline for the MEBA. The 1920 membership of 22,000 declined to 11,000 by 1923 and to less than 5000 by 1934. World War II temporarily reversed the trend. However, the general decline of the American merchant marine into the 70's resulted in a decline in membership. [Ref. 4:p. 210]

In 1970 MEBA was instrumental along with other unions in getting Congress to sign the Merchant Marine Act of 1970 which provided government subsidy for the construction of 300 ships for the American flag merchant fleet. This Act was considered a revitalization the industry sorely needed. MEBA emerged from the 70's a strong union. It is recognized for its collective bargaining skills not only in pay for the seamen but other benefits as well.

Today, MEBA has two major districts--District #1 which represents licensed engineers working on the Atlantic, Gulf, and Pacific Coasts and District #2 which represents engineers in the Great Lakes with some members on the East Coast.

F. THE AMERICAN RADIO ASSOCIATION (ARA)

The American Radio Association was founded in 1931 by radio operators based in New York City. It was the early years of the depression and working conditions for seamen were deteriorating and wage rates on the decline. Later a similar group from the West Coast merged with the union and its name changed to the American Radio Telegraphists Association (ARTA). The union was very successful in improving wages and working conditions for radio operators through

strike actions. Membership increased and a merger was attempted with the Commercial Telegraphers Union of American (CTUA). The merger failed and instead ARTA joined forces with the Congress of Industrial Organization (CIO) in 1937.

Shortly after, the name was again changed to American Communications Association. With the intention of becoming a national organization, ACA was given wider jurisdictional authority by the CIO to expand beyond radio operators rivaling the CTUA. As with many of the maritime unions during this period, the left wing behavior among many of its members often created a climate of instability. To free themselves from the "Red" label, the marine operators transferred in 1947 from the ACA to the Marine Engineers Beneficial Association (CIO). In May 1948 the CIO issued a national charter as the American Radio Association separating radio operators from the ACA.

ARA established itself as a national union at its first convention in San Francisco in January 1949. The new association adopted the slogan, "Democracy has to be more than a word for trade unions." [Ref. 4:p. 313] The period 1949 to 1954 were years of effective collective bargaining for the ARA. The ARA won pension and welfare plans, a comprehensive vacation plan, higher wages, and in general, improvements in conditions at sea for radio operators. In addition to an economic interest, the ARA took great

interest in safety and apprenticeship training. These priorities of the ARA continued through the 60's and 70's.

III. TREND IN WAGES AND BENEFITS

A. INTRODUCTION

The United States produces and consumes more goods and services than any of the world's 167 nations. Between 1974 and 1978, the value of goods and services produced in the United States increased by 50 percent; from \$1.4 trillion to \$2.1 trillion. [Ref. 8:p. 149]

In terms of jobs and opportunities for employment, estimates indicate that about 9.5 million jobs in the United States could be attributed to American export trade in 1978, and approximately 13.2 million jobs to U.S. imports. [Ref. 8:p. 154] The United States Merchant Marine plays a vital role in the movement of this trade. Additionally, it serves the government in supplying and maintaining overseas bases, as a naval auxiliary in time of war, and to stockpile essential commodities in the national interest.

Shipping companies do not choose the seamen who work on their ships except for officers. Union halls dispatch unlicensed crew members to a ship. The companies can refuse a seaman but only for good reason, such as a record of drunkenness or criminal activities. Captains and Chief Engineers are selected provided they are in good standing with their unions. Other engineers and mates can be selected from within the company if the individual has been employed by the company for a long period of time. However, union approval is required and any vacancies that cannot be

filled from within the company must be filled through the union.

Seamen are placed for jobs based on rating and seniority. Area contract shipping companies send their job openings to the union halls. A seaman registers with the respective union hall and is given a registration card with date and time registered, his highest job qualification, and his seniority group. Based on job openings, the seaman with the oldest registration card in the highest seniority group is assigned the job.

Benefits such as medical, pension and welfare plans are administered by the unions. Monies for the plans come from contributions made by the respective companies. In most cases, trustees representing the union and companies determine contribution rates while collective bargaining is used by some unions.

B. HOW AGREEMENTS ARE REACHED

Collective bargaining in the maritime industry takes place approximately every three years. Specific negotiation dates vary from union to union. Relative to the five unions in this study, there are four major associations who negotiate with the respective unions on the companies' behalf. They are the American Maritime Association, the Maritime Service Committee, Tanker Service Committee, Incorporated, and the Pacific Maritime Association.

Generally, the American Maritime Association negotiates on behalf of unsubsidized ocean carriers. Agreements between the member company represented by the American maritime Association and the union are recorded in the form of a memorandum of understanding. The final agreement is signed by the member companies.

Member companies retain the right to accept or decline the American Maritime Association's negotiated agreement. The Maritime Service Committee negotiates on behalf of subsidized owners and operators of oceangoing dry cargo vessels on the Atlantic and Gulf Coasts. All negotiated contracts are signed by the companies themselves and not by the Maritime Service Committee. The Tanker Service Committee represents tanker owners and operators only. Companies who negotiate directly with independent Tanker Officers' and Tankermen's Association are permitted to be a member of the Tanker Service Committee. The Pacific Maritime Association negotiates on behalf of steamship, terminal, and stevedoring companies on the West Coast. The Association is divided into two divisions. The Offshore division negotiates on behalf of ocean carrier companies. The Shoreside division negotiates for companies employing shoreside personnel. Unlike the other associations, the Pacific Maritime Association has the authority to negotiate binding contracts for their member companies. Table 1 shows

which maritime organization negotiates for the unions included in this study.

TABLE 1
FRAMEWORK OF MARITIME COLLECTIVE BARGAINING

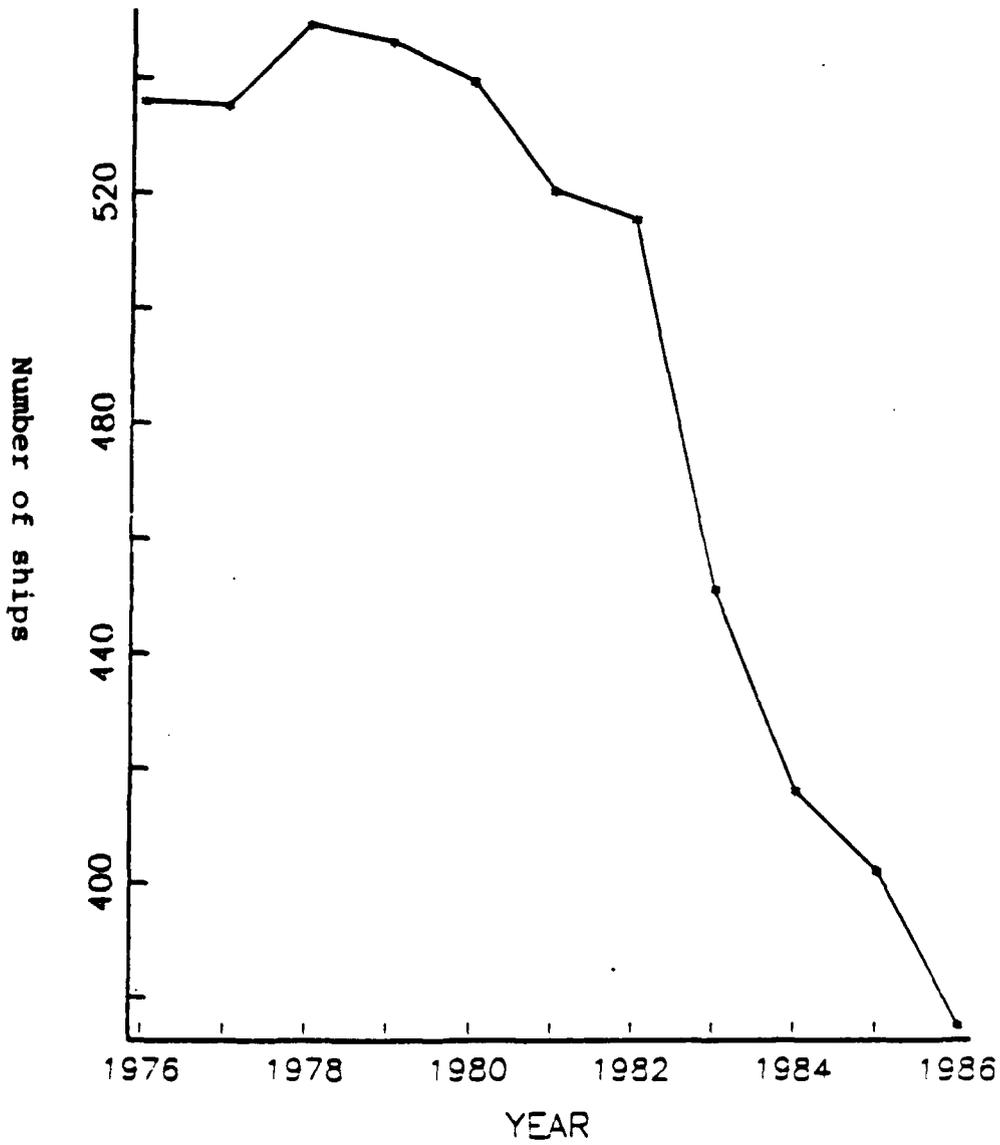
Negotiates with	American Maritime Association	Maritime Service Committee	Pacific Maritime Association	Tanker Service Committee
LICENSED--				
DECK:	MMP	MMP	MMP	
ENGINE:	MEBA 1 & 2	MEBA 1	MEBA 1	MEBA 1
RADIO:	ARA	ARA	ARA	ARA
PURSER:				
UNLICENSED--				
DECK:	SIU	NMU	SUP	NMU
ENGINE:	SIU	NMU	MFU	NMU
STEWARD:	SIU	NMU	SIU	NMU

Source: Maritime Labor--Management Affiliations Guide,
Maritime Administration

C. TRENDS IN EMPLOYMENT

On June 30, 1976, there were approximately 536 Ocean-going commercial vessels (1000 gross tons and over) and 21,113 jobs. Five years later the number of ships had declined to 520 and 18,906 shipboard jobs. By June 30, 1986, the number had declined even more to 375 ships and 11,096 shipboard jobs. In ten years the total number of ships in the industry declined 30 percent and shipboard jobs 47 percent. Figure 1 shows the decline in the total number of ships 1000 tons or over from 1976 to 1986. Table 2

TREND OF MERCHANT SHIPS 1976-1986



Source: Office of Maritime Labor & Training, Maritime Administration

Figure 1 Trend of Merchant Ships, 1976-1986

TABLE 2

TREND IN SEAFARING EMPLOYMENT, 1976-1986

<u>Year (as of June 30)</u>	<u>Number of Jobs</u>
1976	21,113
1977	20,858
1978	20,376
1979	20,104
1980	19,814
1981	18,906
1982	17,846
1983	15,429
1984	13,873
1985	12,981
1986	11,096

Source: Office of Maritime Labor & Training, Maritime Administration

indicates the trend of seafaring jobs as of June 30 each year for the period 1976 to 1986.

This decline in the number of vessels and shipboard jobs has been attributed to the increasing number of ships registered under foreign flags, technological developments and changing operational methods. Many U.S.-owned ships are registered under foreign flags because of the high wages of American crews, strict U.S. governmental regulations and the tax advantage. New technology and containerized vessels has reduced the number of seamen needed to transport goods.

[Ref. 9:p. 17]

Although the U.S. has become a big importer of goods and services, there are no laws requiring these goods and services to be carried by American ships. Therefore

employment in the industry has suffered from competition of foreign vessels, alternative modes of transportation and containerized vessels. These vessels are capable of transporting more cargo thereby reducing transfer time and theft and also reducing manpower requirements.

An examination of employment conditions in the overall economy in contrast to the maritime industry reveal that "in May 1976, the unemployment rate dropped to 7.3%, its lowest point for the year and 1.7 percentage points below the recession high of a year earlier." [Ref. 10:p. 1] Employment conditions improved during 1978 and 1979. The overall unemployment growth remained steady into the 80's as the economy entered its eighth postwar recession by mid-1981. The number of unemployed reached 9.6 million or 8.8 percent of the work force by the end of the year. At the onset there was hope that the recession would slow and disappear. However it crept and then ran throughout the world. The world maritime industry suffered more than in most previous recessions and continues to this day. Despite many efforts to reverse this situation, the high wages of American crews and the tax advantage of registering ships under foreign flags continues to adversely impact the industry. [Ref. 8:p. 66]

Besides employment in the overall economy, a brief examination of other transportation industry revealed the following. In 1976 the annual average employment was 537.9

thousand employees in the railroad industry. By 1981, this number had decreased to 494.4, and in 1986 the number stands at 325.2 thousand employees. Unlike railroads, employment in the airline and trucking industries showed an increasing trend. In 1976 there were 1149.1 thousand employees in the trucking industry and 362.8 thousand in the airline industry. By 1981, that number had increased to 1,255.8 and 454.6, respectively. In 1986, the number of employees in trucking averaged 1,409.5 thousand and in the airline industry, 560.1 thousand.

Leo Troy in the book, Unions in Transition [Ref. 11:p. 94], suggests that the American labor movement in general has entered an era of permanent decline due primarily to market forces. Some of the market forces are foreign competition, business downturns, and deregulation. The maritime industry has experienced all except deregulation.

In evaluating employment trends in the maritime industry, maritime labor union membership is used to determine these employment trends. Membership figures during the period 1976-1986 for the unions included in this study were extremely difficult to locate. Limited information found is displayed in Table 3. It appears that overall membership in the unions has declined over the past ten years.

TABLE 3

UNION MEMBERSHIP

<u>Union</u>	<u>Active Seafaring Membership</u>	
	<u>1976</u>	<u>1986</u>
NMP	9,000 ^a	10,000
MEBA	2,000	10,000
ARA	1,000	360
NMU	35,000	15,000
SIU	80,000	8,000

^a1965 figure

Source: Office of Maritime Labor & Training, Maritime Administration

D. TRENDS IN WAGES

Appendix A contains complete details on wage increases by union for the period 1976-1986. These data will be summarized in this section. In the first half of 1976 the average wage increase for unions on the East and West Coast was 5%. There were no wage increases in the second half of 1976. Instead there was a 2% cost of living increase. Wages went up an average of 2% in the first half of 1977 with a 2% COLA increase the second half of 1977. Wage increases remained constant at 7.5% and COLA at 4% until 1980.

On June 16, 1980 the unions received an average increase of 12.83%. This figure includes both a wage increase and COLA. The upward wage trend ceased at the end of 1980. Beginning in 1981 some unions rolled back wages in exchange

for more vacation time for members (see Table A.2). Cost of living allowances were diverted to welfare plans (see Tables A.2 and A.3). Wages declined dramatically from an average of 7.5% to as low as a 1% increase in 1986. It is to be noted that in 1984 there were no wage increases in any of the unions (see Table A.3).

The wage trend of the maritime unions over the last ten years appears to be directly tied to the export and import trade and the number of U.S. flag ships engaged in domestic and international trade. When the economy was doing well, maritime unions experienced healthy increases in wages and benefits. As the economy entered in a recession, wages declined. Increases became almost nonexistent as economic conditions worsened in 1982-83.

To understand the wage trend in the maritime unions, an examination of the economy and the other transportation industries shows that the economy in 1976 was recovering from a recession. Speculation is that the recovery was a result of the tax cut for individuals and corporation passed by Congress and signed into law by President Gerald Ford in March 1975. [Ref. 12:p. 3] It appears that major collective bargaining agreements reached during 1975 generally provided for large increases compared to 1976 when wages took a nose dive. The 1976 decline is attributed to slowed expansion of the economy in 1976. There was no wage increase for the maritime unions in 1976, just a cost of

living increase. Because of the economic conditions in the same year, truckers settled for substantial wage increases; an uncapped cost of living escalation clause and improvements in health and welfare and sick leave benefits but only after staging their sixth major strike since 1958. [Ref. 13:p. 16]

During 1978 to 1979, employment conditions improved. As a result of inflation, pay increases in general were larger. Maritime unions received a 7.5 percent increase. But the purchasing power of the average consumer did not go up because prices also increased. In addition, the maritime unions received a cost of living increase in 1979 which did not necessarily provide them full protection from inflation.

After a declining first half of 1980, the economic indicators such as GNP, housing starts, and production rebounded. Price increases and interest rates remained high. The maritime unions got a 12.6% increase which included COLA and wages in the first half of 1980 and a 2.67% COLA increase only in the last part of 1980. Speculation is that this increase was to give back some of the purchasing power lost. [Ref. 14:p. 22]

Bargaining in 1981 took place in an uncertain economic environment. Most industries including the maritime industry started to experience the competitive effects of deregulation and sagging profits and layoffs in a sluggish economy. Wage gains were moderate as recession developed

and inflation abated. By early 1982, it seemed as though the labor market was heading for bankruptcy. The rate of unemployment rose to the highest level since 1940 and the rate of business failures rose to the highest level ever recorded. "Considering the state of the economy, it is not surprising that major collective bargaining settlements provided for the smallest adjustment since Bureau of Labor Statistics began compiling such data." [Ref. 13:p. 28]

In 1982 increases in wages dropped to 2% in the Maritime industry. According to one union, "the industry faced with extinction had to do something, Maritime labor (particularly my organization) started to unilaterally cut shipboard labor costs by giving up some of the gains." [Ref. 15:p. 2] This union like others amended existing agreements providing savings to contracted companies in an effort to keep them in business. They did that by cutting vacations, freeze wage levels, and waiving contractual wage increases on a long term basis.

"The organized trucking industry was beset by financial difficulties resulting from the continuing recession and the influx of nonunion operating firms with lower operating cost." [Ref. 13:p. 30] Additionally, the enactment of the Motor Carrier Deregulation Act of 1980 offered no protection. No longer were market profits assured and therefore many firms were leaving the industry. This has led to the demise of many union carriers and substantial layoffs.

The airlines suffered the same ills. The industry's difficulties were attributed to several factors including carrier difficulties in determining the most beneficial mix of routes since the deregulation of routes and fares in 1978. An influx of new carriers, the recession, the high interest rates have made it more difficult for the industry to buy more efficient planes. Additionally high fuel cost, and the aftereffects of the air traffic controller strike led to the reduction of air traffic at many large airports.

The climate of the maritime industry did not improve in 1984 through 1986. Moderate inflation and concerns over job security continues to temper union demands for large wage increases. In 1984, there were no wage increases. A 2% increase in 1985 declined to 1% in 1986. In some unions COLA increases were diverted to Defined Pension Contribution Plan or the Joint Employment Committee. (Defined Pension Plan is essentially a supplemental pension plan and the Joint Employment Committee is a jointly trustee Plan run by the union hiring walls. Whereas before unions were concerned with getting as much as possible in bargaining agreements, they are now tempering demands to save shipboard jobs. [Ref. 15:p. 2]

E. TRENDS IN BENEFITS

Because most of the unions were unwilling to supply data on their complete benefit package, the study of benefits is limited to vacation time only. It should be noted that the

unions, in addition to vacation time, offer welfare plans which provide health and pension benefits to participants and their beneficiaries.

Vacation time varies among unions and ratings. Appendix B shows that between 1976 and 1980 vacation time averaged 20 days for Masters and Mates, 30 days for Chief Engineers and all others around 19 days. A seaman had only to work 30 days to get this vacation time. From 1980 to 1984 vacation time increased an average of 9% over all unions. Recent 1984-85 negotiations reflect an average decrease of 50 percent vacation time for 30 days employment.

In discussion of the reasons for such significant cuts in vacation time with some representatives in the industry, the general consensus was that vacation time was a logical area to cut in view of the declining condition of the industry in order for many shipping companies to stay in business. Vacation benefits are based on 30 days employment which appears unique to the maritime industry. In most industries, a worker would be required to be on the job for a longer time before accruing so much vacation time.

For example, in the airline industry, in 1980 the average vacation time accrued by pilots, flight engineers, and flight attendants was approximately 7 days after 6 months employment. One could equate pilots and flight engineers to Masters and Engineers in the maritime industry by virtue of position.

Masters and Engineers accrue anywhere from 19 to 30 days for 30 days employment. They would have to work 30 years with one carrier before receiving an average vacation time of 40.41 days. [Ref. 16:p. 18] In 1984 vacation time for pilots and flight engineers declined by .14 percent while flight attendants vacation time increased by 4.57% after 6 months of service. After 30 years service there was no change in vacation time in 1984 versus 1980. [Ref. 17:p. 21]

In view of the foregoing, it is reasonable that shipping companies would agree to cut vacation benefits to keep companies in business. The question now is how far will the unions go in protecting jobs in the industry.

IV. MILITARY SEALIFT COMMAND (MSC) AND THE MARITIME LABOR UNIONS

A. INTRODUCTION

"The primary mission of the Military Sealift Command (MSC) is to provide sealift for strategic mobility in support of national security objectives." [Ref. 18:p. 2] To fulfill this mission, MSC uses government-owned ships and the Merchant Marine. As of 30 September 1984, MSC controlled a total of 137 ships, a nucleus force of 79 government-owned and bareboard-chartered ships, a chartered commercial fleet of 55 ships of various types and three ships in use under the General Agency Agreement (GAA) with the U.S. Maritime Administration (MARAD). [Ref. 19:p. 4] Approximately 5000 civil service mariners work for MSC. On the east coast crewing operations are handled by MSC Atlantic in Bayonne, New Jersey and on the west coast by MSC Pacific in Oakland, California.

B. HOW AGREEMENTS ARE REACHED

MSC negotiates with the Radio Officers Union (ROU), International Organization of Masters, Mates and Pilots (MMP), National Maritime Union (NMU), the Marine Engineers Beneficial Association and the Seafarers International Union at various times on a three year cycle. Unlike the mariners in private industry, the civil service mariners are not

required to join any union. However, based on negotiated agreements between MSC and the unions, a mariner must be represented by a union in any grievance procedures or matters of personnel policy or practices.

C. WAGES AND BENEFITS

Whereas companies in private industry negotiate wage agreements with mariners, compensation for the civil service mariners are established by Title 5, United States Code 5348, which "provides that the compensation of officers and crews of vessels be fixed and adjusted from time to time, as nearly as is consistent with the public interest, in accordance with prevailing rates and practices in the maritime industry." [Ref. 20:p. 11] In essence, rates are set and increases are in consonance with prevailing rates in private industry subject to government wage caps. Representatives from the respective unions meet with representatives from MSC. Subsequent negotiated private industry wages increases are reviewed and an agreement reached on civil service mariners increases. Up until 1979, MSC tracked private industry dollar for dollar. After 1979, MSC diverged from that practice as a result of Congressional pay legislation which has resulted in Civil Service mariners lagging behind the industry average by around 15%. [Ref. 21]

Despite the wage differentials, retention of civil service mariners have not be adversely effected. Due to the

present conditions of private industry, civil service mariners enjoy a more stable work environment than their private industry counterparts. Civil Service mariners get the same employment benefits as other civil service employees. These include annual leave, life and health insurance and retirement benefits.

V. SUMMARY AND RECOMMENDATIONS

A. GENERAL

As discussed in Chapter III, the maritime industry has seen a recent decline in wages and benefits reflecting a declining market. The number of ships at sea has decreased, thus the number of seafaring jobs. The purpose of this study was to examine the history of the unions with an emphasis on trends in wages and benefits. This examination leads to the following summary and recommendations.

B. SUMMARY

1. The history of maritime labor unions has been one of struggle for seamen's rights and benefits. Historically the effectiveness of the unions depended on how successful unions were in expanding representation of employees. The union's business was that of ensuring that shipping companies offered reasonable wages and benefits. When demands were not met, a strike was called. Today, because of a declining industry, we see maritime labor unions settling for less instead of demanding more.
2. Economic conditions have a direct effect on the maritime industry. Increases in domestic and foreign trade provide jobs if cargo is carried on American vessels. However, in view of the increasing number of American ships registered under foreign flags and involved in international trade, securing jobs for American seamen has become a major concern of the industry.
3. The U.S. Merchant Marine has been on the decline because of low labor cost on foreign-flagged ships, which has encouraged many U.S.-owned ships to register in other countries to avoid high labor costs and more stringent health and safety regulations imposed on U.S. ships.

4. Employment in the industry has suffered because of alternative modes of transportation, automation, and containerization of cargo.
5. The concession being made by the unions in the area of wages and benefits to keep jobs in the industry is a temporary fix. The industry needs a long-term solution to their problems.

C. RECOMMENDATIONS

1. The U.S. government needs to examine Merchant Marine policies and make the industry more attractive for U.S. shipowners to compete; this reexamination might include the possibility of governmental control of the number of ships registered under foreign flags and the use of these ships in international trade especially when such actions undermine our industry.
2. In view of the declining private industry, the retention of Civil Service mariners by the Military Sealift Command seems vital in support of military sealift objectives. Civil Service Mariners wages and benefits should remain consistent with public interest and in accordance with prevailing rates of private industry.

APPENDIX A

SEAFARING COLLECTIVE BARGAINING AGREEMENT--WAGE ISSUES

TABLE A.1

SEAFARING COLLECTIVE BARGAINING AGREEMENTS
 DRY CARGO--ATLANTIC & GULF
 WAGE INCREASES (% INCREASE)

Date	Union	MMP	MEBA 1	MEBA 2	ARA	NMU	SIU
6-16-76		5	5	7	5	5	5
12-16-76 ^a		2	2	2	2	2	2
6-16-77		12.1 ^b	7	9	7	7	7
12-16-77 ^a		2	2	2	2	2	2
6-16-78		7.5	7.5	7.5	7.5	7.5	7.5
6-16-79		7.5	7.5	7.5 ^c	7.5	7.5	7.5
12-16-79 ^a		4	4	4	4	4	4
6-16-80 ^b		12.83	12.83	12.83 ^d	12.83	12.83	12.83
12-16-80 ^a		2.67	2.67	2.67	2.67	2.67	2.67

Notes

^aCost of living increase

^bRate includes wages and COLA

^cExcept on fast turn-around ships, where Chief Engineers got an 11% increase and other ratings got a 10.5% increase

^dExcept 14.83% for Masters and Chief Engineers on regular ships and 14.33% for all ratings on fast turn-around ship

Source: Office of Maritime Labor & Training, Maritime Administration

TABLE A.2

**SEAFARING COLLECTIVE BARGAINING AGREEMENTS
 DRY CARGO--ATLANTIC & GULF
 WAGE INCREASE (% INCREASE)**

Date	Union	<u>NMP</u>	<u>MEBA 1</u>	<u>MEBA 2</u>	<u>ARA</u>	<u>NMU</u>	<u>SIU</u>
6-16-81 thru 6-16-82		15.56 ^e	-	-	-	-	-
6-16-81		-	7.5	7.5 ^b	7.5	7.5	7.5
9-30-81		7.5 ^d	-	-	-	-	-
6-16-82 6-16-83		-	8.209	-	-	-	-
6-16-82		-	-	8 ^f	7.5	7.5	7.5
7-14-82		-	7.5 ^h			-	
12-16-82		2	2	2	2	2	2
6-16-83		None	-	None	None	7.5	None
12-16-83		-	-	None	-	i	1.33

Notes

^bExcept for Chief Engineers on fast turn ships, who received a 17.45% increase

^dEffective 10-1-81 wages were rolled back to June 15, 1981 levels in exchange for more vacation days for members

^e15.56% increase over June 15, 1982 rates. 7.5% increase over wages that were in effect 6-16-81 through 9-30-81.

^fExcept Chief Engineers, 7.5%; Assistant Engineers on fast turn ships, 10%

^gExcept Masters, 7.5%; Mates on fast-turn ships, 10%

^hEffective 7-15-82 the union waived its 7.5% increase. Wages were rolled back to June 15, 1982 levels.

ⁱ12-16-83 COLA diverted to Welfare Plan

Source: Office of Maritime Labor & Training, Maritime Administration

TABLE A.3

SEAFARING COLLECTIVE BARGAINING AGREEMENTS
 DRY CARGO--ATLANTIC & GULF
 WAGE INCREASE (% INCREASE)

Date	Union	MMP	MEBA 1	MEBA 2	ARA	NMU	SIU
6-16-84		None	None	None	None	None	None
1-1-85		2	2	c	2	None	2
7-1-85		2	2	-	2	-	2
1-1-86		e	1	-	d	-	1

Notes

^cChief Engineer base wage and non-watch pay amounts increased to Master's rates minus \$100

^dScheduled COLA effected 1-1-86 diverted to Defined Pension Contribution Plan

^eScheduled 1% COLA effective 1-1-86 diverted to Joint Employment Committee

Source: Office of Maritime Labor & Training, Maritime Administration

TABLE A.4

SEAFARING COLLECTIVE BARGAINING AGREEMENTS
 DRY CARGO-PACIFIC
 WAGE INCREASE (% INCREASE)

Date	Union	MMP	MEBA	ARA	SUP	MFU	MCS
6-16-76		5	5	5	5	5	4.5
12-16-76 ^a		2	2	2	2	2	2
6-16-77		12.1	7	7	7.1	7.05	4.12
12-16-77 ^a		2	2	2	2	2	-
6-16-78		7.5	7.5	7.5	7	7	7
12-16-78 ^a		-	-	-	2.67	2.67	2.59
6-16-79		7.5	7.5	7.5	5	5	5
12-16-79 ^a		4	4	4	4.67	4.67	4.67
6-16-80		12.83	12.83	12.83	5	5	5
12-16-80 ^a		2.67	2.67	2.67	3.33	3.33	3.33

Notes: SIU consists of the Sailors Union of the Pacific, Marine Firemen Union, and the Marine Cooks and Stewards Union

^aCost of Living increase

Source: Office of Maritime Labor & Training, Maritime Administration

TABLE A.5

SEAFARING COLLECTIVE BARGAINING AGREEMENTS
 DRY CARGO--PACIFIC
 WAGE INCREASE (% INCREASE)

Date	Union	MMP	MEBA	ARA	SUP	MFU	MCS
6-16-81 thru 6-16-82		15.56 ^a	-	-	-	-	-
6-16-81		-	7.5	7.5	7	7.089	7.5
9-30-81		7.5 ^b	-	-	-	-	-
12-16-81					2.7	-	2.67
6-16-82 to 7-14-82		-	7.5 ^c	-	-	-	-
6-16-82		-	-	7.5	7.5	4.5486	7.5
12-16-82		2	2	2	2.67	Decreases .053	2.67
6-16-83		None	8.209	None	7.5	\$50	e
12-16-83		-	-	-	1.33	d	1.33

Notes

^a15.56% increase over June 15, 1982 rates. 7.5% increase over wages that were in effect 6-16-81 through 9-30-81.

^bEffective 10-1-81 wages were rolled back to June 15, 1981 levels in exchange for more vacation days for members

^cEffective 7-15-82 the union waived its 7.5% increase. Wages were rolled back to June 15, 1982 levels.

^dNo wage increase 12-16-83. MFU elected to allocate its COLA to Money Purchase Pension Plan and Supplemental Health and Welfare Plan.

^eWage increase converted to an increase in Welfare Plan Contribution

Source: Office of Maritime Labor & Training, Maritime Administration

TABLE A.6

SEAFARING COLLECTIVE BARGAINING AGREEMENTS
 DRY CARGO--PACIFIC
 WAGE INCREASE (% INCREASE)

Date	Union	MMP	MEBA	ARA	SUP	MFU	MCS
6-16-84		None	C	None	None	None	None
1-1-85		2	2	2	2	2	2
7-1-85		2	2	2	2	2	2
1-1-86		b	1	a	1	1	1

Notes

^aScheduled COLA effective 1-1-86 diverted to Defined Pension Contribution Plan

^bScheduled 1% COLA effective 1-1-86 diverted to Joint Employment Committee

^cOriginal termination date was 6-15-87. Agreement was later extended with modification through 6-15-90.

Source: Office of Maritime Labor & Training, Maritime Administration

APPENDIX B

SEAFARING COLLECTIVE BARGAINING AGREEMENT--VACATION BENEFITS

TABLE B.1

VACATION BENEFIT FOR 30 DAYS EMPLOYMENT
 DRY CARGO--ATLANTIC, GULF & PACIFIC

MMP

Date		Regular Ships	% Δ	Tanker	% Δ	Others ^C	% Δ
1-1-76	Masters	20.5	-	25.5	-	24.5	-
	Mates	16	-	21	-	20	-
6-16-76	Masters	21.5	4.9	26.5	3	25.5	4.1
	Mates	17	6.3	22	4.8	21	5
6-16-77	Masters	22.5	4.7	27.5	3.8	26.5	3.9
	Mates	18	5.9	23	4.5	22	4.8
1-1-78	Masters	20.5	-11.1	25.5	7.3	24.5	-7.5
	Mates	16	13.9	21	-8.7	24.5	11.4
6-16-78	Masters & Mates	16	-22	21	-17.6	20	-18.36
6-16-79	Masters & Mates	18	12.5	23	9.5	22	10
6-16-80	Masters & Mates	19	5.6	24	4.34	23	4.5
10-1-81	Masters	19 ^a	0	30	25	30	30.4
	Mates	24	26.3	29	20.8	28	21.7
6-16-82	Masters	19 ^a	0	30	0	30	0
	Mates	21	-12.5	26	-10.3	25	-10.7
6-16-83	Masters	25 ^b	31.6	30	0	30	0
	Mates	22	4.8	27	3.8	26	4
7-1-84	Masters	25	12			28	-2
	Mates	22	0	-	-	26	0
1-1-85	Masters	28	12			28	0
	Mates	22	0	-	-	26	0
3-1-85	-	-	-	15	-44		

TABLE B.1 (CONTINUED)

Notes

^aMasters have an option to take 4.5 days extra or overtime pay

^bMemorandum of Understanding dated 7/22/81 specified break-bulk masters 30 for 30 6/6/83 but Memorandum of Understanding dated 6/15/83 specified 25 for 30

^cOthers include Container, Barge, Auto Carriers, RO/RO's and OBO's

Source: Office of Maritime Labor & Training, Maritime Administration

TABLE B.2

VACATION BENEFIT FOR 30 DAYS EMPLOYMENT
 DRY CARGO--ATLANTIC GULF & PACIFIC

MEBA--DISTRICT 1

Date	Regular Ships	%Δ	Others	%Δ	Tankers	%Δ
6-16-75	14	-	18	-	19	-
6-16-76	15	7.1	19	5.6	20	5.3
6-16-77	16	6.6	20	5.3	21	5
6-16-79	18	12.5	22	10	23	9.5

Date	Regular Ships	%Δ	Others Chief Eng	%Δ	Others All Except Chief Engineers	%Δ
1-1-80	18	0	30	36.36	22	0
6-16-80	19	5.6	30	0	23	4.5

Date	Regular Ship Chief Engineer	%Δ	Regular Ship Asst. Engineer	%Δ
6-16-82	19	0	21	10.52
6-16-83	30	57.8	22	15.78

OTHERS

Date	Chief Engineer	%Δ	Other Than Chief Eng.	%Δ
6-16-82	30	0	25	8.7
6-16-83	30	0	26	4

TABLE B.2 (CONTINUED)

	<u>Tanker Chief Engineer</u>	<u>% Δ</u>	<u>Tanker Other Than Chief Engineer</u>	<u>% Δ</u>
1-1-80	30	-	23	-
6-16-80	30	0	24	4.3
6-16-82	30	0	26	8.3
6-16-83	30	0	27	3.8
12-17-84	15	-50	15	-44.4

TABLE B.3

VACATION BENEFITS FOR 30 DAYS EMPLOYMENT
 DRY CARGO, ATLANTIC, GULF & PACIFIC

MEBA--DISTRICT 2

Date		Regular					
		<u>Ships</u>	<u>%Δ</u>	<u>Tanker</u>	<u>%Δ</u>	<u>Others</u>	<u>%Δ</u>
9-16-74	Ch. Eng	28	-	30	-	30	-
	Asst. Eng	25.5	-	30			
29.5	-						
6-16-79	Ch. Eng	30	7.1	-		30	0
	Asst. Eng	27.5	7.8			30	1.7
6-16-80	Ch. Eng	30	0	-		30	-
	Asst. Eng	28.5	3.6			30	-
6-16-82	Ch. Eng	30	0	-		30	-
	Asst. Eng	30	5.2			30	-
1-1-85	Ch. Eng & Asst. Eng	15	-15	15	-50	15	-50

Source: Office of Maritime Labor & Training, Maritime Administration

TABLE B.4

VACATION BENEFITS FOR 30 DAYS EMPLOYMENT
 DRY CARGO--ATLANTIC, GULF, & PACIFIC

ARA

Date	Regular		Tankers		Others	
	Ships	%Δ		%Δ		%Δ
6-16-75	14	-	19	-	18	-
6-16-76	15	7.1	20	5.3	19	5.6
6-16-77	16	6.6	21	5	20	5.3
6-16-79	18	12.5	23	9.5	22	10
6-16-80	19	5.5	24	4.4	23	4.5
6-16-82	21	10.5	26	8.3	25	8.7
6-16-83	22	4.8	27	3.8	26	3.8
Mid 1985			15	-44.4		

Source: Office of Maritime Labor & Training, Maritime Administration

TABLE B.5

VACATION BENEFITS FOR 30 DAYS EMPLOYMENT
 DRY CARGO--ATLANTIC, GULF, AND PACIFIC

NMU

Date	Regular		Tanker		Other		Diesel Tankers Operated For MSC
	Ships	%		%		%	
6-16-71	10	-			14	-	5
6-16-72			14	-			Effective 6/13/74
6-16-81	11	10	15	7.1	15	7.1	
6-16-82	12	9.1	16	6.7	16	6.6	
6-16-83	13	8.3	17	6.3	17	6.3	
6-16-85			13	-23.52			

SUP, MFU, MCS

	Regular		Fast Turn	
	Ships	%	Ships & Tankers	%
6-16-71	10	-	14	-
6-16-81	12	16.6	14	-
6-16-82	13	8.3	14	-
6-16-83	14	7.7	14	-

Source: Office of Maritime Labor & Training, Maritime Administration

TABLE B.6

VACATION BENEFITS FOR 30 DAYS EMPLOYMENT
 DRY CARGO--ATLANTIC, GULF

ROU

Date	Regular Ships	% Δ	Tankers	% Δ	Other	% Δ
6-16-75	14	-	19	-	18	-
6-16-76	15	7.1	20	5.3	19	5.5
6-16-77	16	6.7	21	5	20	5
6-16-79	18	6.3	23	9.5	22	10
6-16-80	19	5.6	24	4.3	23	4.5
6-16-82	21	10.5	26	8.3	25	8.7
6-16-83	22	4.8	27	3.8	26	4
4-1-86			12-13	-51.9		

Source: Office of Maritime Labor & Training, Maritime Administration

TABLE B.7

VACATION BENEFITS
 SIU (ATLANTIC, GULF & PACIFIC)
 For 90 days covered employment during a 365 day period

	Per 6/16/75	12/16/	12/16/	6/16/	12/16
	<u>CONTRACT</u>	<u>76</u>	<u>79</u>	<u>80</u>	<u>84</u>
<u>GROUP I:</u> CRANE OPERATORS, CONVEYORMEN, BOATSWAINS, STEWARDS, CHEFS	\$2,200	a	b	c	d
<u>GROUP II:</u> WHEELSMEN, GATEMEN, TUNNELMEN, PUMPMEN, SCRAPERMEN, LOOK-OUTS, A.B. DECKWATCH, A.B. WATCHMEN, AILEPS, F.W.T.'S, ASST CONVEYORMEN, 2ND COOKS, MECHANICS, FOREMEN, HANDYMEN, ASST. COOK, NIGHT COOK	\$1,800	a	b	c	d
<u>GROUP III:</u> O.S., COAL PASSERS, WIPERS, PORTERS, DISHWASHERS, WAITERS, PAINTERS, LABORERS, HOUSEKEEPERS, MAIDS, PAN WASHERS	\$1,400	a	b	c	d

For all employees with 90 or more days of covered employment after 10/1/75, an additional vacation benefit of \$350 shall be paid for 365 days of covered employment.

^aJanuary 1977 Seafarers Log stated that annual vacation benefits were increased by 2% 12/16/76.

6/16/78

EFF 6/16/78 a member working a full year (365 days seetime) will receive vacation pay equal to 4 months base wages for the rating he sailed in.

^bDecember, 1979 Seafarers Log stated that vacation benefits were increased 4%.

TABLE B.7 (CONTINUED)

^cJune, 1980 Seafarers Log stated that vacation benefits were increased 12.83%.

^dJanuary, 1981 Seafarers Log stated that vacation benefits were increased by 2.67%.

Effective:

6-16-81 instead of paid dollars per year, SIU converted to actual days off.

6-16-81 all groups received 12 days off for 30 days employment.

6-16-82--13 days; 6-16-83--14 days.

Tanker employees received the same benefits as dry cargo seamen.

Source: Office of Maritime Labor & Training, Maritime Administration

APPENDIX C

TABLE OF ABBREVIATIONS

MARITIME UNIONS

ARA	American Radio Association
MEBA	Marine Engineers Beneficial Association
MFU	Marine Firemen's Union
MMP	Masters, Mates and Pilots
SUP	Sailors Union of the Pacific
SIU	Seafarers International Union

LIST OF REFERENCES

1. Heine, Irwin M., The United States Merchant Marine, A National Asset, National Maritime Council, Washington, D.C., July 1976.
2. Roukis, George S., Ph.D., The American Maritime Industry: Problems and Prospects, Book II, Hofstra University Yearbook of Business, 1983.
3. Raskin, Bernard, On A True Course: The Story of the National Maritime Union (AFL-CIO), Markle Press, Inc., Washington, D.C., 1967.
4. Fink, Gary M. Ed., The Greenwood Encyclopedia of American Institutions: Labor Unions, Greenwood Press, Inc., Westport, Connecticut, 1977.
5. Office of Maritime Labor & Training, Maritime Administration, "Maritime Unions," n.d.
6. Raffaele, Gary Charles, Background and Early History of The International Organizations of Masters, Mates and Pilots (AFL-CIO), Ph.D. Dissertation, Harvard University, 1973.
7. Marine Beneficial Association 1875-1975, A Brief History of America's Oldest Maritime Union.
8. Heine, Irwin M., The U.S. Maritime Industry in the National Interest, National Maritime Council, Washington, D.C., 1980.
9. Janus, Charles J., "Union Mergers in the 1970's: A Look at the Reasons and Results," Monthly Labor Review, October 1978.
10. Bednarzik Robert W. and St. Marie, Stephen M., "Employment and Unemployment in 1976," Monthly Labor Review, February 1977.
11. Troy, Leo, "The Rise and Fall of American Trade Unions: The Labor Movement from FDR to RR," In Unions in Transition: Entering the Second Century, Seymour Martin Lipset (Ed.), California: ICS Press, 1986.
12. Define, Catherine C., "Labor and the Economy During 1975," Monthly Labor Review, January 1976.

13. Ruben, George, "Collective Bargaining in 1982: Results Dictated by Economy," Monthly Labor Review, January 1983.
14. Schlein, David, "Contracts in Six Key Industries Scheduled to Expire in 1981," Monthly Labor Review, December 1980.
15. Letter received from Marine Engineers Beneficial Association, 3 November 1986 (TLS).
16. "Industry Wage Survey: Certified Air Carriers," September 1980, U.S. Department of Labor, Bureau of Labor Statistics, June 1982, Bulletin 2129.
17. "Industry Wage Survey: Certified Air Carriers," June 1984, U.S. Department of Labor, Bureau of Labor Statistics, August 1985, Bulletin 2241.
18. Rear Admiral Walter T. Piotti, Jr., USN, Commander Military Sealift Command before the United States Readiness Command Winter Defense Symposium, "The Military Sealift Command: One Vital Component of Navy Preparedness," 27 February 1986.
19. Military Sealift Command, Washington, D.C., 1984 Annual Report.
20. Agreement between Commander, Military Sealift Command and International Organization of Masters, Mates and Pilots, from the Office of Maritime Labor and Training, Maritime Administration, Washington, D.C., n.d.
21. Personal interview with Les Bartholow, Maritime Labor Data Analyst, Office of Maritime Labor and Training, Maritime Administration, Washington, D.C., 9 March 1987.

INITIAL DISTRIBUTION LIST

	No. Copies
1. Defense Technical Information Center Cameron Station Alexandria, Virginia 22304-6145	2
2. Defense Logistics Studies Information Exchange U.S. Army Logistics Management Center Fort Lee, Virginia 23801	1
3. Library, Code 0142 Naval Postgraduate School Monterey, California 93943-5002	2
4. Department Chairman, Code 54 Department of Administrative Sciences Naval Postgraduate School Monterey, California 93943-5000	1
5. Assistant Professor D. C. Boger, Code 54Bk Department of Administrative Sciences Naval Postgraduate School Monterey, California 93943-5000	1
6. Professor R. A. Weitzman, Code 54Wz Department of Administrative Sciences Naval Postgraduate School Monterey, California 93943-5000	1
7. Lieutenant Denise J. McCalla Public Affairs Office Naval Postgraduate School Monterey, California 93943-5000	2
8. M. A. Dunne Naval Supply Corps School Athens, Georgia 30606	1

ENO

7-87

Dtic