



*Classified – External*

## Potential Strike Action at East and Gulf US Ports

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**PENTAGON**

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# 1 Potential Strike Action

## 1.1 East and Gulf US Ports

Shippers should expect significant disruption if a strike planned from Tuesday 1<sup>st</sup> October goes ahead. This could also result in quay rent and demurrage costs at these ports should containers become stuck on quay during this dispute.

Please contact your local Pentagon office for multimodal options and latest updates provided by the carriers on bookings and quotations over the coming weeks.

The International Longshoremen's Association (ILA) posted its unanimous support for strike action at East and Gulf US ports from 1<sup>st</sup> October 2024 if a new six-year Master Contract on wage and conditions is not reached by the 30<sup>th</sup> of September to replace the current agreement, following the union meeting in New Jersey on the 4<sup>th</sup> & 5<sup>th</sup> September.

The ILA has a firm stance against increased port automation. "We will not entertain any discussions about extending the current contract, nor are we interested in any help from outside agencies to interfere in our negotiations with USMX," said President Daggett. "This includes the Biden Administration and the Department of Labor." The Biden administration could invoke the Taft-Hartley Act requiring an 80-day cooling off period, although it is thought that the government maybe reluctant to step in with elections looming.

According to Sea-Intelligence, the potential impact of a strike on container shipments would be significant: "Using historical data, we estimate US East Coast handling volumes of 2.3 million teu in October, which translates into 74,000 teu per day, split 36,000 on imports and 38,000 on exports. For empties alone, a strike would mean the inability to load 20,000 teu each day", it reported.

While ocean options are limited, the only alternatives could be to ship over the US West Coast. Canadian ports Halifax, Montreal or St John, have limited capacity and could easily become congested according to carriers and that Mexico does not have the capacity or infrastructure to support either.

[US port strike would leave imports from Europe stranded \(seatrade-maritime.com\)](#)

[ILA Wage Scale Delegates Conclude Contract Negotiations With Unanimous Support For Call For October 1st Strike – ILA Union](#)

[Shippers seek alternatives as east coast port strike looms - The Loadstar](#)

[ILA Halts Negotiations with USMX Amid Automation Disputes – ILA Union](#)

[ILA: Threat of Strike at US East and Gulf Coast Ports “Growing More Likely” \(maritime-executive.com\)](#)

[Sea-Intelligence - Impact of potential ILA strike](#)

Please reach out to me directly if you have any questions.

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