



## Automation is Coming, and Unions Must be Vigilant

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*Launch of "[Bargaining Tech: Strategies for Shaping Technological Change to Benefit Workers](#)"*

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### **Confronting Automation:**

The main area of concern for ILWU Canada is in the Longshore division and in particular the container sector. Bulk work is a highly automated sector already, and break bulk work is hard to automate or has shifted product into containers already. Currently the container sector accounts for approximately 70% of Longshore work hours.

We have seen an ever-increasing adoption of automation and digitization in container terminals around the world over the past three decades. The first automated container terminal was in Rotterdam, Netherlands in 1993, and the second in Hamburg, Germany in 2002. As the technology has improved and gained acceptance, automation has spread to other areas including Asia, Australia and most recently North America. These recent automation efforts, especially the transformation in LA/Long Beach, California (LBCT), convinced our members and executive that we needed to address automation in our last contract (which ended March 31, 2018). For example, the LBCT uses 70% less staffing than an equivalent non-automated terminal. Some of our executive visited the terminal in 2018, and the high level of automation was concerning.

During bargaining the union agreed that we had to get new language around automation. The British Columbia Maritime Employer's Association (BCMEA) which bargains on behalf of the employers didn't seem to think there was any need for new language. They believed the old language (in the previous Modernization & Mechanization agreement) was still relevant. That paid members a lump sum amount on retirement. Basically, they felt they had already bought and paid for automation. The union felt that automation is distinctly different from mechanization, in that the job losses can be much more significant.

The bargaining for this contract took over 1.5 years and was very contentious. Automation language was the final stumbling block to reach an agreement. In the end the employer locked us out. The labour minister was already in town by the time the lock out started, and an agreement was reached in the wee hours of the morning. The lock out only lasted 2 hours. And only 1 shift went down.

The exact language we negotiated is in the appendix to this report. To summarize, we won prior notification of automation, and a committee to be formed to discuss mitigation of the negative effects.

**Lessons Learned:**

We were smart to be proactive about this issue, but what we achieved in this contract was only a start. The language obtained is insufficient. Through my research over the last few years, I have discovered that terminals make these investment decisions several years before an automation project is implemented. By the time the union will get notified under this new clause, the equipment is built and on the way, and the jobs lost. Our only hope in the future will be negotiating for new jurisdiction and getting good staffing agreements for remote operations. We have also increased our efforts in recent years to organize new workers into the union and broadened our scope.

The reality is that automation is coming whether we like it or not.

We know that any new terminal that will be built will have a significant amount of automation. The main factors pushing automation include larger ships, equipment manufacturers pushing automated equipment as the solution to the surge problem created by mega vessels, and regulation around climate change and GHG reduction. Retrofitting older terminals is also gaining traction, and requires less initial capital. The terminals can be automated one block or section at a time. The technology is improving every day. AI and machine learning are becoming key to further improvements along with 5G.

This will be an ongoing struggle, and we will have to use every lever to preserve jobs and gain union jurisdiction over new roles created through tech change. I have been working with a special committee of the International Transport Workers Federation to develop strategies for dockers unions to combat automation globally. We have just completed an automation toolkit designed to help ITF affiliates with their struggles with automation. It is being distributed to all the affiliates around the world.

I advise unions to keep up with upcoming technologies that could affect their jobs, and try to bargain language ahead of time to protect the jobs of their members. Automation is coming in many industries, and we must be vigilant.

Thank you.