

**Testimony on A-3123  
New York Shipping Association  
October 23, 2006**

**Thank you Mr. Chairman for the opportunity to speak to you and the members of the Assembly Labor Committee today regarding Assembly Bill 3123. A-3123 is a matter of great importance to the future productivity and strength of one of this nation's major economic engines, the Port of New York & New Jersey (PONYNJ).**

**For more than fifty years the Waterfront Commission of New York Harbor (WC) has had control over the size of the longshore workforce. When the WC was conceived, the longshore workforce in the PONY/NJ numbered some 30,000 longshoremen who competed daily for only 10,000 jobs. Corruption, racketeering, and other criminal activities were widespread in the port.**

**In 1966 Section 5p., the controlled register statute, (the**

**register is the list of persons approved by the WC who are eligible to work in the port) was added to the WC's charter in response to the 1964 longshore contract in the PONYNJ. In that agreement, the dockworker's union agreed to allow reductions in manning because of productivity gains made possible by new technology, in exchange for management's promise to create a Guaranteed Annual Income Program (GAI ). GAI compensated displaced workers whether they worked or not. Section 5-p. empowered the WC to open or close the longshoreman's register, and thereby regulate the size of the waterfront labor force. But for two brief occasions in the late 60's, the longshore register has remained closed for more than three decades. The ban assured that no new employees would be doing the work while others stood idly by collecting GAI. Today no one is paid GAI any longer and there are only 2,365 longshore workers on the longshore register in the PONYNJ.**

**In 1999, Section 5p. was amended to permit controlled openings of the register to individuals sponsored by an employer of longshore workers. The employers however, cannot sponsor a new employee until the WC has reviewed and approved the joint petition from their collective bargaining representative and the labor organization representing their employees. This has created a slow and inefficient process which has placed the PONYNJ at a competitive disadvantage with other less expensive, expanding East Coast port facilities with whom we compete for the cargo which fuels our state and the regional economies (see chart on page 6 of Explanation section of “A Recommendation for Change In Longshore Employment“ booklet).**

**Our industry must have the right to determine the size of its workforce just like the mom and pop store on the corner or IBM.**

**In summation Mr. Chairman and members of the committee, A-3123 is not an attempt by the regulated community to gut the authority of the WC or reduce it in size. The WC will continue to have a vital law enforcement role in the PONYNJ. A-3123's amendment of Section 5p. recognizes that a portion of their mission has been accomplished. When the WC was established it was given a mandate to "establish hiring practices which would permit termination of government regulation and intervention at the earliest possible date." Section 5p. has done what it was intended and needs to be changed for the best interest of our state, our neighbors in New York, and across this country who our Port services.**

**Under the new law once adopted, labor and management would determine the appropriate number of additional workers necessary to meet future demands in the workplace. Candidates would then be recruited, screened, hired, then sent to the WC for background checks and licensing. We believe**

**that this new streamlined process will enhance our ability to create jobs in own industry and in other sectors of the economy with whom we interact with on a daily basis. More cargo handled means more jobs, a stronger regional economy, and larger contributions to local, state, and federal revenues.**

**Thank you Mr. Chairman and members of the Assembly Labor Committee. I ask that you all vote yes to A-3123.**