

# Compensation of Longshoremen, Marine Clerks, and Foremen Employed at Marine Terminals in California, Oregon, and Washington Ports

David L. Crawford, Ph.D.  
President – Econsult Corporation  
Senior Fellow - Management Department – The Wharton School

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<sup>1</sup> This is a posthumous release of the report authored by Dr. David L. Crawford.

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## 1. INTRODUCTION

In a 1999 article about the Pacific Maritime Association (“PMA”) and the International Longshore and Warehouse Union (“ILWU”), the *Los Angeles Business Journal* quoted University of Michigan labor expert Howard Kimeldorf’s view that “Among workers who work with their hands in America, there is probably nobody paid better than the Longshoremen.”<sup>2</sup> In 2002, *The New York Times* described the longshore worker on the West Coast as the “\$100,000 longshoreman.”<sup>3</sup> In May 2014, *The News Tribune* described the ILWU-PMA health plan as “... one of the most generous in the country...”<sup>4</sup> In March 2015, the *Los Angeles Times* noted “Longshoremen pay dwarfs that of almost all other transit employees, such as trucking, railroad or airline workers.”<sup>5</sup> As recently as September 2021, the *Business Insider* said “The over 7,000 longshoremen represented through the International Longshore and Warehouse Union (ILWU) that work at the Southern California port are paid over \$100,000 a year ...”<sup>6</sup> Many other publications have reported high wages and benefits of members of the International Longshore and Warehouse Union (ILWU).<sup>7</sup>

Since the compensation of the longshore worker started attracting headlines nearly two decades ago, many have wondered, “How much does the West Coast longshore worker actually make per year, and what benefits do they enjoy?”<sup>8</sup> Are longshore workers’ fringe benefits substantially more generous than those of the average American worker? And if longshore workers’ earnings and benefits are substantially higher, can they be explained?”

Econsult Corporation conducted this study of the wages and fringe benefits of ILWU workers employed by PMA members, the international and domestic carriers and terminal operators that operate in California, Oregon and Washington. The Econsult study shows that the wages and benefits of the Longshoremen, Marine Clerks and Foremen who load and unload cargo from vessels in America’s West Coast ports are still the highest paid blue-collar workers in America.

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<sup>2</sup> *Los Angeles Business Journal*

<sup>3</sup> Steven Greenhouse, “The Nation: The \$100,000 Longshoreman; A Union Wins the Global Game,” *The New York Times*, October 6, 2002.

<sup>4</sup> John Gillie, “Longshore Union, Shipping lines Begin Critical Negotiations”, *The News Tribune*, May 13, 2014.

<sup>5</sup> Chris Kirkham and Andrew Khouri, “How longshoremen command \$100K salaries in era of globalization and automation”, *Los Angeles Times*, March 1, 2015

<sup>6</sup> Grace Kay, “Meet the Port of Los Angeles’ dock workers who make over \$100,000 working with some of the world’s largest robots”, *Business Insider*, September 15, 2021

<sup>7</sup> See, for example, Nancy Cleeland, “Dispute Shows a Union Firmly Anchored at West Coast Ports; The ILWU owes its staying power to its founders, who ensured members’ total control over the seaboard,” *Los Angeles Times*, October 13, 2002; Eric Johnson, “Union credited for high port pay; Longshoremen making \$90,000 average can thank militancy, flexibility of ILWU,” *Long Beach Press-Telegram*, September 6, 2004; and “ILWU pay deal fears mount; Repeat of 2002 chaos would be disastrous,” *Lloyd’s List*, March 6, 2008

<sup>8</sup> As noted in the first footnote of the Executive Summary, throughout this report we will use the phrases “ILWU workers” or “longshore workers” to refer to Longshoremen, Marine Clerks, and Foremen collectively.

The two purposes of this study are:

- To describe the compensation of members of the International Longshore and Warehouse Union who are employed at California, Oregon and Washington ports by members of the Pacific Maritime Association, and
- To compare that compensation with the compensation of various groups of workers in the American economy.

This report is organized in four major sections:

- A brief description of the stevedore industry and a quick review of existing studies of the industry with an emphasis on studies of wages and fringe benefits of stevedore and related workers on the West Coast and in other locations.
- A description of the demographic and occupational characteristics of the ILWU workforce and a comparison with the characteristics of other workers in the American economy.
- A discussion of the economic implications of market, worker and job characteristics for the comparison of the compensation of ILWU members to that of other workers in the American economy.
- A description of the compensation under the ILWU-PMA contracts and comparisons with benchmarks based on various groups of American workers

A brief summary of the major conclusions of the study is provided at the end of the report.

This study relies on data provided by PMA as well as data published by the Bureau of Labor Statistics of the U.S. Department of Labor (hereafter BLS), the Kaiser Family Foundation, and the Health Research and Educational Trust.

This study was commissioned by PMA, but all conclusions expressed here are those of the author. No conclusions should be interpreted as those of PMA, its member companies, or its staff.

## 2. OVERVIEW OF THE INDUSTRY AND PAST RESEARCH

The U.S. West Coast is unique in that a single labor agreement negotiated between the PMA and the ILWU covers virtually all stevedoring operations in the three contiguous coastal states. On the East Coast, by contrast, the International Longshoremen's Association (ILA) has competition from other unions and non-union stevedore operations. Member companies of PMA provide stevedoring services and support for stevedoring services.<sup>9</sup> Some members are also domestic or international maritime carriers, while others are stevedore-only companies that provide services to maritime carriers and shippers. PMA employers are the exclusive providers of stevedoring services for international trade at the California, Oregon, and Washington ports. PMA employers do, however, face competition from East Coast and Gulf state ports via the Panama Canal and the Suez Canal and from selected ports in Mexico and Canada.

Beginning after the severe recession in the early 1980s, cargo volume of PMA members grew fairly steadily until reaching its historic maximum in 2007, just before the next severe recession in 2008-2009. Since 2009, volume has grown, and, in 2017 and 2018 had finally surpassed the pre-recession levels. However, the COVID-19 pandemic erased much of those gains with 2019 levels at 361.5 (340.6 in 2020) million revenue tons of freight that included more than 16.4 (16.1 in 2020) million container twenty foot equivalent units (TEUs), 6.0 (4.0 in 2020) million tons of general cargo, 1.1 (1.0 in 2020) million tons of lumber and logs, 28.2 (22.0 in 2020) million tons of autos and trucks, and 48.0 (39.7 in 2020) million tons of bulk cargo.<sup>10</sup>

Market share data tell a less encouraging story. In the 15 years between 2003 and 2018, the percentage of U.S. containerized imports from Asia passing through Pacific Southwest ports has fallen from about 56% to 46% while the East Coast and Gulf Coast ports realized a 14% gain in market share, from 27% to 41% during the same time period. The continued declining share means that the West Coast ports have been less successful in competing with East and Gulf coast ports.

There is little scholarly literature focused on this industry. Some noteworthy exceptions are:

- 1961 article by Fairley – “The ILWU-PMA Mechanization and Modernization agreement”<sup>11</sup>
- 1962 article by Killingsworth – “The Modernization of West Coast Longshore Work Rules”<sup>12</sup>
- 1962 comment by Fairley<sup>13</sup>
- 1962 response by Killingsworth <sup>14</sup>
- 1983 note in *Labor Law Journal* – “Limited Union Nepotism Upheld.” <sup>15</sup>
- 1984 note in *Monthly Labor Review*<sup>16</sup>

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<sup>9</sup> Simply put, stevedoring includes all of the tasks associated with loading and unloading cargo from ships and related tasks. As I use the term here, we are including not just the loading and unloading but also the clerical tasks required for tracking cargo.

<sup>10</sup> Pacific Maritime Association 2019 Annual Report

<sup>11</sup> Lincoln Fairley, “The ILWU Mechanization and Modernization Agreement,” *Labor Law Journal*, Vol. 12, No. 7, pp. 664-680.

<sup>12</sup> Charles C. Killingsworth, “The Modernization of West Coast Longshore Work Rules,” *Industrial & Labor Relations Review*, Vol 15, No 3 (April 1962), pp295-306

<sup>13</sup> Lincoln Fairley, “West Coast Longshore Work Rules,” *Industrial & Labor Relations Review*, Vol. 16, No. 1 (October 1962), pp.134-136

<sup>14</sup> Charles C. Killingsworth, “The Modernization of West Coast Longshore Work Rules,” *Industrial & Labor Relations Review*, Vol. 15, No. 3 (April 1962), pp.295-306

<sup>15</sup> Limited Union Nepotism Upheld,” *Labor Law Journal*, Vol. 34, No. 4 (April 1983), p.248

<sup>16</sup> “Dockworkers Settle,” *Monthly Labor Review*, Vol. 107, No. 10 (October 1984), p.48

- 1987 paper by Finlay – “Industrial Relations and Firm Behavior: Informal Labor Practices in the West Coast Longshore Industry.”<sup>17</sup>
- 1990 note in Monthly Labor Review<sup>18</sup>
- 1993 article by Fisher and Kondra – “Responding to Environmental Change in Longshoring: Four North American Experiences.”<sup>19</sup>
- 1997 article by Kimeldorf and Penney – “‘Excluded’ by Choice: Dynamics of Interracial Unionism on the Philadelphia Waterfront. 1910-1930.”<sup>20</sup>
- 2005 Harvard Business School Case – “Showdown on the Waterfront: The 2002 West Coast Port Dispute.”<sup>21</sup>
- 2007 article by Turnbull and Wass – “Defending Dock Workers – Globalization and Labor Relations at the World’s Ports.”<sup>22</sup>
- 2008 article by Park, Gordon, Moore, Richardson – “The State-by-State Economic Impacts of the 2002 Shutdown of the Los Angeles-Long Beach Ports.”<sup>23</sup>
- 2010 article by Jaffe – “Labor and the Geographic Reorganization of Container Shipping in the U.S.”<sup>24</sup>
- 2019 report by Mercator International LLC – “Economic Impacts of the San Pedro Bay Ports’ Share Losses on the Alameda Corridor Transportation Authority”<sup>25</sup>
- 2019 report by Nacht, Henry and Martin – “Sustaining the San Pedro Bay Community Ports of Los Angeles & Long Beach”<sup>26</sup>

### 3. THE ILWU/PMA WORKFORCE

#### 3.A. Fully Registered, Limited Registered, and Casual

Section 3 focuses on the characteristics of the ILWU workforce employed at West Coast ports and various subgroups thereof:

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<sup>17</sup> William Finlay, “Industrial Relations and Firm Behavior: Informal Labor Practices in the West Coast Longshore Industry,” *Administrative Science Quarterly*, Vol. 32, No. 1 (March 1987), pp.49-67.

<sup>18</sup> Michael H. Cimini, “West Coast Dockworkers Pact,” *Monthly Labor Review*, Vol. 113, No. 10 (October 1990), p.45

<sup>19</sup> E.G. Fisher and Alex Kondra, “Responding to Environmental Change in Longshoring: Four North American Experiences,” *Journal of Labor Research*, Vol. XIV, No. 1 (Winter 1993).

<sup>20</sup> Howard Kimeldorf and Robert Penney, “‘Excluded’ by Choice: Dynamics of Interracial Unionism on the Philadelphia Waterfront. 1910-1930,” *International Labor and Working-Class History*, Vol. 51 (Spring 1997)

<sup>21</sup> Kathleen McGinn and Dina Pradel, “Showdown on the Waterfront: The 2002 West Coast Port Dispute,” Harvard Business School case 9-904-045, revised January 18, 2005.

<sup>22</sup> Peter Turnbull and Victoria Wass, “Defending Dock Workers – Globalization and Labor Relations in the World’s Ports.,” *Industrial Relations*, Vol. 46 (July 2007)

<sup>23</sup> Jiyoung Park, Peter Gordon, James Moore, and Harry Richardson, “The State by-State Economic Impacts of the 2002 Shutdown of the Los Angeles–Long Beach Ports,” *Growth and Change*, Vol. 39 (December 2008), pp. 548-572.

<sup>24</sup> David Jaffe, “Labor and the Geographic Reorganization of Container Shipping in the U.S.,” *Growth and Change*, Vol. 41 (December 2010).

<sup>25</sup> Mercator International LLC, “Economic Impacts of the San Pedro Bay Ports’ Share Losses on the Alameda Corridor Transportation Authority

<sup>26</sup> Nacht, Henry and Martin – “Sustaining the San Pedro Bay Community Ports of Los Angeles & Long Beach”

- Fully Registered (Class A) Longshoremen<sup>27</sup>
- Limited Registered (Class B) Longshoremen<sup>28</sup>
- Marine Clerks
- Foremen

Counts of these four groups from 2017-2021 are displayed in Table 3.A.1.

Table 3.A.1- Distribution of the ILWU Workforce

Registered Category	Total Number in 2017	Total Number in 2018	Total Number in 2019	Total Number in 2020	Total Number in 2021
Fully Registered (Class A) Longshoremen	9,680	9,314	8,947	9,605	9,534
Limited Registered (Class B) Longshoremen	2,114	3,269	3,685	2,806	3,752
<b>SUBTOTAL</b>	<b>11,794</b>	<b>12,583</b>	<b>12,632</b>	<b>12,411</b>	<b>13,286</b>
Marine Clerks	1,580	1,702	1,775	1,682	1,755
Foremen	589	576	621	605	601
<b>TOTAL</b>	<b>13,963</b>	<b>14,861</b>	<b>15,028</b>	<b>14,698</b>	<b>15,642</b>

*Data provided by the Pacific Maritime Association*

<sup>27</sup> Class A Longshoremen have the right to be dispatched to any assignment before any Class B Longshoremen or casuals.

<sup>28</sup> Class B Longshoremen are dispatched after the ranks of Class A Longshoremen have been depleted and before any casual is dispatched.

### 3.B. Jobs

Members of the ILWU workforce perform many different jobs. The Longshoremen, Marine Clerk, and Foremen jobs with the most paid hours in 2021 are displayed in Table 3.B.1. The listed jobs make up approximately two-thirds of the total hours worked by each group.

**Table 3.B.1 - ILWU Occupations with the Most Worker Hours in 2021**

Registered Category	Occupation	Total Hours Worked
Longshoremen	TRACTOR -SEMI-DOCK-	3,767,666
	ILWU MECH JOURNEYMAN	3,254,275
	TOP HANDLER	2,391,326
	HOLDMAN	1,635,284
	DOCKMAN	1,388,703
	LASHER	1,258,265
	LA/LB STEADY HAMMERHEAD	1,042,231
	HALL CRANE RATED EQUIPMENT-YARD	780,319
	LA/LB STEADY TRANSTAINER	774,776
	ILWU MECH LEADMAN	749,318
	YARD DIRECTING SPVR (COMPUTER)	739,060
	LA/LB STEADY CRANE GUARANTEE	489,957
	LIFT TRUCK-HEAVY	431,188
	Clerk	YARD DIRECTING SPVR (COMPUTER)
VESSEL CLERK SPVR (COMPUTER)		715,885
CHIEF SUPERVISOR		600,756
COMPUTER KITCHEN/TOWER SUPERVISOR		431,309
Foremen	30% FOREMEN W/B SHIP	534,047
	30% FOREMEN (STEADY) DOCK	447,529
	30% FOREMEN W/B DOCK	355,564

The jobs of the ILWU workforce fall into two occupational categories that are described by the U.S. Department of Labor, Bureau of Labor Statistics (hereafter "BLS") in its *Occupational Outlook Handbook*. The ILWU-PMA longshore jobs are in the category that BLS calls Material Moving Occupations. Within this group, the Handbook specifically lists, among others, Industrial Truck and Tractor Equipment Operators, Longshore Equipment Operators, and Hand Freight Movers. The Marine Clerk jobs fall in the Cargo and Freight Agent category of the *Occupational Outlook Handbook*.

### 3.C. Gender

Table 3.C.1 reports the percentages of men in various subgroups of the ILWU workforce and in various subgroups of the American workforce.

Table 3.C.1- Percent Male by Workforce Category

Workforce Category	2007	2017	2018	2019	2020	2021
Class A Longshoremen	88.1%	85.5%	85.7%	86.1%	86.0%	86.3%
Class B Longshoremen	80.8%	87.2%	81.5%	80.1%	78.3%	76.7%
Marine Clerks	66.1%	63.2%	64.1%	63.9%	64.0%	63.8%
Foremen	95.3%	93.2%	92.9%	92.8%	93.2%	93.0%
Total American Union Workforce	55.6%	55.1%	54.8%	54.5%	53.2%	53.7%
Total American Employment	53.6%	53.1%	53.1%	53.0%	53.2%	53.0%
Office and Administrative Support Occupations	24.8%	27.8%	28.4%	29.1%	27.3%	27.8%
Transportation and Material Moving Occupations	84.6%	82.7%	81.9%	81.8%	79.5%	78.4%

Source: Pacific Maritime Association and Women in the Labor Force: A Data book

It should be noted that the male percentages of Class A Longshoremen, Marine Clerks, and Foremen have fallen since 2007, which of course means that the participation of females has increased in these categories.

### 3.D. Age

The age distributions of Class A Longshoremen, Class B Longshoremen, Marine Clerks, and Foremen compared to the entire American workforce are displayed in Charts 3.D.1, 3.D.2, 3.D.3, and 3.D.4.<sup>29</sup> Those charts show that the four groups of ILWU workers tend to be older than the average American worker.

The Industry has a “one door registration” policy meaning that when additional Longshoremen are required, they are selected from the ranks of the casuals who have accumulated the highest number of hours. Additional Marine Clerks are selected from the Longshoremen ranks and additional Foremen are selected from the Longshoremen and Marine Clerk ranks. Therefore, on average, the casuals would be expected to be the youngest members of the workforces, followed by Longshoremen, Marine Clerks, and Foremen. Foremen are generally the oldest and most experienced members of the workforce.

It should also be noted that a comparison of the 2021 and 2017 age distributions reveal that the ILWU workforce has aged significantly over those years. That aging is consistent with what we know about the very small rates at which ILWU workers leave their jobs.

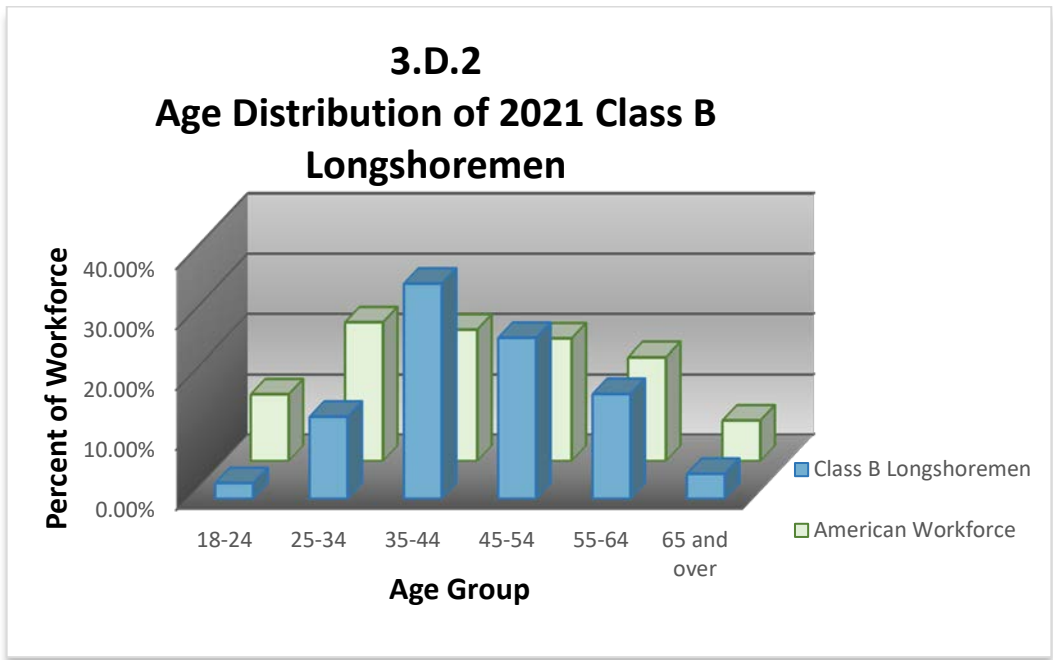
The average retirement ages of Longshoremen, Marine Clerks, and Foremen in 2021 were 66.4, 65.1, and 69.3, respectively.<sup>30</sup> According to the Center for Retirement Research at Boston College, the average age at time of labor

<sup>29</sup>The percentages of men are based on all group members with recorded gender data.

<sup>30</sup> Data supplied by PMA.

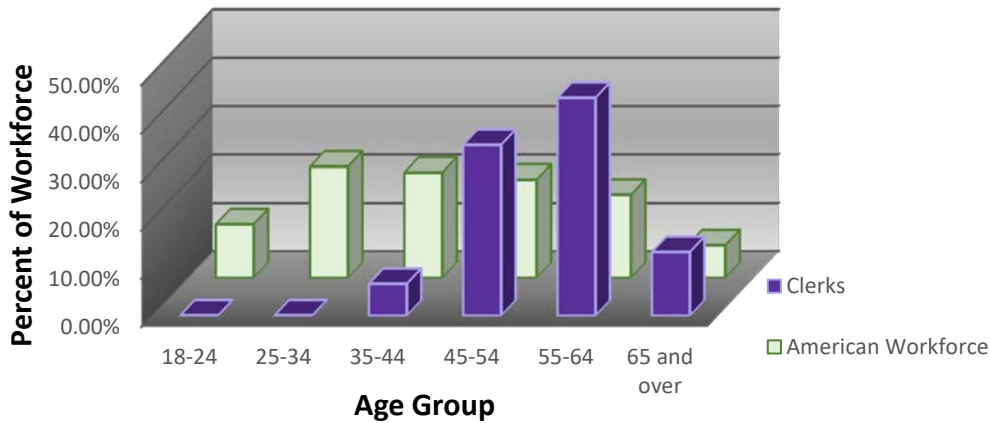


force exit was 64.6 for men and 62.3 for women.<sup>31</sup>

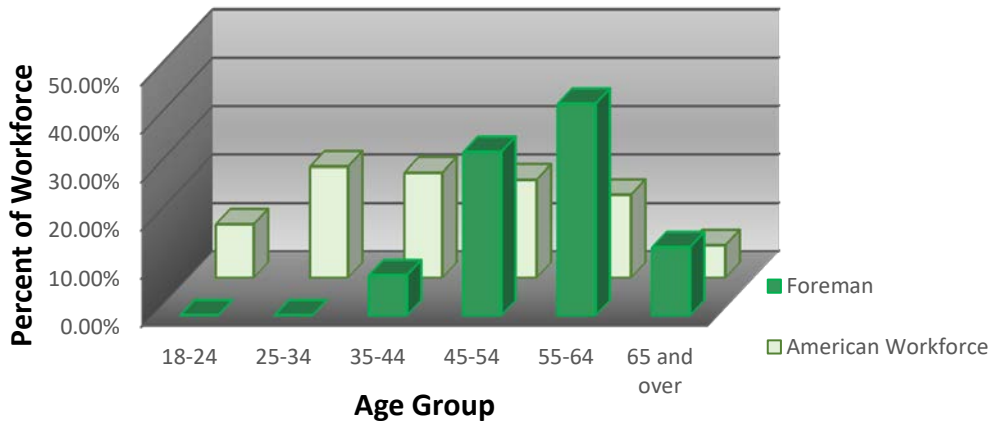


<sup>31</sup> Matthew S. Rutledge, "What explains the widening gap in retirement ages by education?", Center for Retirement Research at Boston College, May 2018, Number 18-10.

### 3.D.3 Age Distribution of 2021 Clerks



### 3.D.4 Age Distribution of 2021 Foremen



### 3.E. Quit Rates of Registered ILWU Workers

Quit rates for registered ILWU workers are extremely low; less than one-tenth of 1% of them withdraw from the industry each year (not counting retirements or disabilities). The very low quit rates strongly suggest that the vast majority of ILWU workers find working for PMA members at the current compensation levels to be the most appealing work option available. In other words, current compensation levels of ILWU workers are sufficiently high, relative to those of alternative jobs, to retain almost all workers in the industry.

### 3.F. Applicants for ILWU-PMA Jobs

The West Coast longshore jobs are extremely attractive to workers outside the industry. In 2017, for example, when applications were accepted for casual work at the port of Oakland, there were more than 26,000 applicants for only 3,300 available positions.<sup>32</sup> The very large number of applications for these positions provides compelling evidence that the wages and benefits under the ILWU-PMA contract are substantially more generous than workers could earn elsewhere.

## 4. SOURCES OF VARIATION IN COMPENSATION OF WORKERS

The hourly compensation of American workers is highly variable depending on demand for and supply of workers in different labor markets defined largely by workers' skills and geography. Across labor markets, skill is usually a more important determinant of compensation than is geography.

Labor economists have long understood that workers with similar skills may receive different earnings in different jobs even in the same geographic area because of specific characteristics that affect the desirability of different jobs such as risk of workplace injury and work scheduling. Economists speak of compensating wage differentials—differences between wages of jobs requiring similar skills but having different characteristics such as risk of injury or work schedules.

In competitive labor markets, economists do not expect to observe substantial wage differences between jobs with similar skill requirements and similar non-wage characteristics. When workers have a labor union to bargain for them, the union may be able to create a difference between the wages of the unionized workers and the wages of comparable non-unionized workers.

### 4.A. Skills and Education

Skills can sometimes be measured directly, but are more commonly measured by proxies such as formal education. In general, workers tend to receive more generous compensation if their jobs require higher levels of education.

None of the ILWU jobs require specific levels of education. Because the PMA does not record the education levels of ILWU workers, We are unable to report the distribution of education levels in that workforce. A high school diploma is not required for longshore work.

### 4.B. Compensating Wage Differentials

Labor economists speak of compensating wage differentials, differences between wages of jobs requiring similar skills but having different characteristics that workers like or dislike such as "dirtiness", which is thought to be a bad characteristic requiring extra compensation, or the requirement to work outside, which can be good or bad depending on the location, the season, and the preferences of the worker. The job characteristic that has received the most attention from economists is the risk of workplace injury, illness, or death.

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<sup>32</sup> PMA 2017 Annual Report, p. 27.

One widely used measure of the risk of injury is the incidence of lost workday cases of illness or injury which involve days away from work, or days of restricted work activity, or both. This incidence rate, which is published by the BLS, is measured as the average number of cases per 200,000 hours worked. For the purpose of calculating and publishing industry-specific incidence rates, the BLS classifies PMA members as firms in the Marine Cargo Handling industry. The 2019 BLS estimate for that industry was 3.5 cases per 200,000 hours. The 2019 BLS estimate for all industries was 1.6 cases<sup>33</sup>.

PMA calculates the incidence rate, defined in the same way, and publishes that rate in its Annual Reports. The ILWU-PMA rate for 2019 was 3.46 cases<sup>34</sup> per 200,000 hours, down from 3.48 in 2018. That rate has fallen since the early 1990s, when it was 13 to 14 cases per 200,000 hours. A comparison of the ILWU-PMA rates with the BLS rate for the Marine Cargo Handling Industry suggests that the ILWU-PMA workforce has somewhat fewer injuries per work hour than workers in the rest of their industry.

In 2019 there were more than 100 industries with incidence rates higher than the 2019 ILWU-PMA rate of 3.20 cases. Twenty-seven of those industries had incidence rates higher than 4.5. Those industries and their incidence rates are displayed in Table 4.B.1.a.

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<sup>33</sup> The comparator year used here is 2019 to remove the COVID19 pandemic impacts on the metrics being analyzed.

<sup>34</sup> Comparable figures for 2020 and 2021 are 3.43 and 2.52 cases respectively.

**Table 4.B.1.a.- Industries with Relatively High Injury Rates**

Industry	Cases with days away from work, job transfer, or restriction per 200,000 worker hours in 2019
Prefabricated wood building manufacturing	7.8
Concrete pipe, brick, and block manufacturing	7.3
Nursing and residential care facilities (State Government)	7.3
Leather and hide tanning and finishing	7.1
Spectator sports	6.8
Couriers and express delivery services	6.5
Couriers and messengers	6.1
Scheduled passenger air transportation	5.9
Scheduled air transportation	5.8
Steel foundries (except investment)	5.7
Air transportation	5.3
Skiing facilities	5.2
Amusement and theme parks	5.0
Elevator and moving stairway manufacturing	4.9
Rendering and meat byproduct processing	4.8
Seafood product preparation and packaging	4.8
Soft drink manufacturing	4.8
Urban transit systems	4.7
Hospitals (State Government)	4.7
Dried and dehydrated food manufacturing	4.6
Truss manufacturing	4.6
All other wood product manufacturing	4.6
Amusement parks and arcades	4.6
Nursing and residential care facilities (Local Government)	4.6
Framing contractors	4.5
Refrigerated warehousing and storage	4.5
Ambulance services	4.5

Another commonly used measure of workplace safety is the annual rate of fatal work injuries per 100,000 workers. Between 2011-2017 fatal injuries occurred at an annual rate of 15.9 among workers at marine terminals and port operations.<sup>35</sup> This average rate was higher than the overall rate for all U.S. workers, which was 3.5 per 100,000 in 2019 but not nearly as high as the rates for occupations listed by BLS as having particularly high rates.<sup>36</sup> Data for those occupations with fatality

<sup>35</sup>Center for Maritime Safety and Health Studies, The National Institute for Occupational Safety and Health, Centers for Disease Control and Prevention, [https://www.cdc.gov/niosh/programs/cmshs/port\\_operations.html](https://www.cdc.gov/niosh/programs/cmshs/port_operations.html)

<sup>36</sup> National Census of Fatal Occupational Injuries in 2019," *United States Department of Labor News*, U.S. Bureau of Labor Statistics

rates higher than that of workers at marine terminals and port operations are displayed in Table 4.B.1.b.

**Table 4.B.1.b- Occupations with Relatively High 2019 Workplace Fatality Rates**

Occupation	Workplace Fatalities per 100,000 Workers
Fishing and hunting workers	145.0
Logging workers	68.9
Aircraft pilots and flight engineers	61.8
Roofers	54.0
Helpers, construction trades	40.0
Refuse and recyclable material collectors	35.2
Driver/sales workers and truck drivers	26.8
Structural iron and steel workers	26.3
Farmers, ranchers, and other agricultural managers	23.2
Grounds maintenance workers	19.8

#### 4.C. Unionization

All of the Longshoremen, Marine Clerks, and Foremen employed by PMA members on the West Coast waterfront are represented by the ILWU. This 100% union representation rate is much higher than the rates for the various groups of American workers that are displayed in Table 4.C.1 and Table 4.C.2.

**Table 4.C.1- Union Representation by Occupation**

<b>Occupation</b>	<b>Percent Represented by Unions in 2021</b>
Education, training, and library	5.9%
Protective service	7.1%
Construction and extraction	9.4%
Professional and related	4.6%
Community and social service	14.6%
Natural resources, construction, and maintenance	3.7%
Transportation and material moving	17.1%
Installation, maintenance, and repair	34.6%
Production, transportation, and material moving	4.0%
Healthcare practitioners and technical	3.1%
Management, professional, and related	11.7%
Production	8.3%
Service	14.0%
Life, physical, and social science	5.8%
Building and grounds cleaning and maintenance	10.0%
Office and administrative support	4.4%
Architecture and engineering	4.5%
Healthcare support	11.0%
Arts, design, entertainment, sports, and media	14.9%
Sales and office	8.5%
Legal	3.9%
Personal care and service	10.8%
Business and financial operations	12.0%
Management, business, and financial operations	15.3%
Management	33.3%
Computer and mathematical	6.2%
Food preparation and serving related	3.3%
Sales and related	9.6%
Farming, fishing, and forestry	12.9%

Union impacts on compensation have been the subject of much research over many years. Most economists believe that labor unions are usually able to negotiate wages and/or benefits that are more generous than those that would be offered by employers in the absence of unions.

Table 4.C.2- Union Representation by Industry

Industry	Percent Represented by Unions 2021
Local government	6.4%
Public sector	2.1%
State government	3.1%
Federal government	5.5%
Utilities	13.6%
Transportation and utilities	8.3%
Transportation and warehousing	9.2%
Telecommunications	15.2%
Motion pictures and sound recording industries	29.0%
Educational services	1.8%
Construction	2.0%
Radio and television broadcasting and cable subscription programming	3.1%
Information	1.6%
Durable goods	7.7%
Manufacturing	11.1%
Education and health services	2.3%
Nondurable goods	2.7%
Health care and social assistance	43.9%
Arts, entertainment, and recreation	5.1%
Nonagricultural industries	8.5%
Private sector	6.0%
Accommodation	18.3%
Wholesale trade	7.0%
Wholesale and retail trade	8.8%
Mining, quarrying, and oil and gas extraction	3.7%
Real estate and rental and leasing	3.8%
Retail trade	7.0%
Management, administrative, and waste services	2.9%
Publishing, except Internet	1.9%
Other services, except private households	37.6%
Leisure and hospitality	7.2%
Other services	10.7%
Professional and business services	6.5%
Agriculture and related industries	5.0%
Accommodation and food services	33.1%
Financial activities	13.0%
Professional and technical services	16.8%



Insurance	16.1%
Food services and drinking places	20.9%
Finance and insurance	4.9%
Finance	4.5%

It is difficult to measure the sizes of the impacts of unions on compensation because of the difficulty of making comparisons that control for worker skill. If a group of unionized workers is more skilled than a group of non-unionized workers, the observed difference between the compensation of the two groups will be due in part to the skill difference and in part to the impact of the union. It may be very difficult to parse out the sizes of the two effects. A very rough rule of thumb suggested by many economists is that union compensation is roughly 10%-15% higher in the presence of appropriate controls for skill. (This figure often seems too small to non-economists who may not be making skill adjustments.)

Finally, economists expect unions to have larger impacts in certain situations. Larger union impacts are expected when:

- Demand for the good or service (in this case, stevedore services) is less responsive to the price of the good or service;
- It is more difficult to substitute equipment and other inputs for the unionized labor; and
- Work interruptions are more costly for employers than for the unionized labor

In the case of the West Coast stevedore industry:

- Demand for services is less responsive to price because the PMA employers are the exclusive providers of international trade stevedoring services at California, Oregon, and Washington ports;
- Technology and work rules make it very difficult to substitute other inputs for the unionized labor; and
- Work interruptions are very costly for employers because of the costs of idle ships and equipment as well as the loss of business.

## 5. COMPARISONS OF ILWU COMPENSATION WITH EXTERNAL BENCHMARKS

The two basic components of employee compensation are current earnings (wages, salary, and bonuses) and fringe benefits (principally holiday and vacation pay, employer-subsidized health benefits, and provisions for retirement income). The next two subsections focus on current earnings and fringe benefits, respectively. The final subsection focuses on lifetime income, which is a combination of current income and retirement benefits.

### 5.A. Current Earnings (Wages, Salaries, and Bonuses)

American workers are paid based on the number of hours they actually work during a pay period, on salaries that do not depend on hours actually worked, on some measure of performance of the workers and/or the employing entity, or on some combination of hours, salary, and performance. Hourly workers may also receive “salary-like” guaranteed wage payments for reporting to work and being dismissed after a short period of time, or for being available for work during some period of time but not being asked to work. ILWU workers are paid both on the basis of hours worked and on the basis of hours guaranteed.

### 5.A.1. Hourly Wage Rates

The basic and skilled hourly wage rates, shift premiums, and overtime adjustments for the last three years of the current ILWU-PMA contract (June 29, 2019 to July 9, 2020, July 10, 2020-July 8 2021 and July 9, 2021 to present) are displayed in Table 5.A.1.a.<sup>37</sup>

Table 5.A.1.a- ILWU Hourly Wage Rates by Skill Level

Skill Category	1st Shift	2nd Shift	1st and 2nd Shift Overtime	3rd Shift	3rd Shift Overtime
<b>July 9, 2021</b>					
<b>Longshoremen</b>					
Basic	\$46.23	\$61.64	\$69.35	\$73.97	\$83.21
Skill I	\$48.63	\$64.84	\$72.95	\$77.81	\$87.53
Skill II	\$50.90	\$67.87	\$76.35	\$81.44	\$91.62
Skill III	\$52.03	\$69.37	\$78.05	\$83.25	\$93.65
<b>Clerks</b>					
Basic	\$46.23	\$61.64	\$69.35	\$73.97	\$83.21
Clerk Supervisor	\$48.63	\$64.84	\$72.95	\$77.81	\$87.53
Kitchen/Tower/Computer	\$50.90	\$67.87	\$76.35	\$81.44	\$91.62
Chief Supervisor and Supercargo	\$52.03	\$69.37	\$78.05	\$83.25	\$93.65
<b>Foremen</b>					
20%					
30%	\$65.16	\$86.88	\$97.74	\$104.26	\$117.29

<sup>37</sup> The rates shown in the table and elsewhere in this report are applicable for greater than 95 percent of the registered workforce and are based on workers having reached certain experience thresholds.

**Table 5.A.1.a- ILWU Hourly Wage Rates by Skill Level**

July 10, 2020					
Longshoremen					
Basic	\$44.84	\$59.79	\$67.26	\$71.74	\$80.71
Skill I	\$47.24	\$62.99	\$70.86	\$75.58	\$85.03
Skill II	\$49.51	\$66.01	\$74.27	\$79.22	\$89.12
Skill III	\$50.64	\$67.52	\$75.96	\$81.02	\$91.15
Clerks					
Basic	\$44.84	\$59.79	\$67.26	\$71.74	\$80.71
Clerk Supervisor	\$47.24	\$62.99	\$70.86	\$75.58	\$85.03
Kitchen/Tower/Computer	\$49.51	\$66.01	\$74.27	\$79.22	\$89.12
Chief Supervisor and Supercargo	\$50.64	\$67.52	\$75.96	\$81.02	\$91.15
Foremen					
20%					
30%	\$63.30	\$84.40	\$94.95	\$101.28	\$113.94
June 29, 2019					
Longshoremen					
Basic	\$43.49	\$57.99	\$65.24	\$69.58	\$78.28
Skill I	\$45.89	\$61.19	\$68.84	\$73.42	\$82.60
Skill II	\$48.16	\$64.21	\$72.24	\$77.06	\$86.69
Skill III	\$49.29	\$65.72	\$73.94	\$78.86	\$88.72
Clerks					
Basic	\$43.49	\$57.99	\$65.24	\$69.58	\$78.28
Clerk Supervisor	\$45.89	\$61.19	\$68.84	\$73.42	\$82.60
Kitchen/Tower/Computer	\$48.16	\$64.21	\$72.24	\$77.06	\$86.69
Chief Supervisor and Supercargo	\$49.29	\$65.72	\$73.94	\$78.86	\$88.72
Foremen					
20%					
30%	\$61.49	\$81.99	\$92.24	\$98.38	\$110.68

*Source: ILWU-Pacific Maritime Association Annual Reports of Occupation Codes and Rates*

When looking at year-to-year changes in wage rates, one must use caution because hourly wage rates, as those in table 5.A.1.a., are measured in what economists call current dollars – 2021 figures are measured in 2021 dollars, 2020 figures are measured in 2020 dollars, etc. and do not reflect factors such as inflation. One can back inflation out of wage changes using an index of inflation such as the Consumer Price Index. To get a sense of how the wage rates of the longshoremen fared over time in comparison to inflation, We looked at the period 2011-2021. During that period, the basic wage of longshoremen in current dollars grew at an annual rate of 3.2%, while the CPI grew at an annual rate of 1.9%. The implication is that the real (adjusted for inflation) wage rate grew, and outpaced inflation, at an annual rate of 1.3%.

Data on the mean and the 25<sup>th</sup>, 50<sup>th</sup>, 75<sup>th</sup>, and 90<sup>th</sup> percentiles of the basic hourly wage rates of private sector workers in various occupation groups are reported by the Bureau of Labor Statistics. This data is collected through the Occupational

Employment Survey (OES) and is displayed here in Table 5.A.1.b. The rates in the table that are highlighted in yellow are lower than \$46.23 which was the Basic 1<sup>st</sup> Shift rate for Longshoremen and Marine Clerks beginning in July 2021. The rates in that table that are highlighted in yellow or green are lower than \$52.03, which was the top skilled 1<sup>st</sup> Shift rate for Longshoremen and Marine Clerks beginning in July 2021.

Table 5.A.1.b- Hourly Wage Rate Percentiles by Occupation 2021

Occupation	Hourly Wage Rate Percentiles				Mean Hourly Wage
	25th	50th	75th	90th	
Architecture and Engineering	\$29.55	\$38.39	\$54.11	\$71.37	\$44.10
Arts, Design, Entertainment, Sports, and Media	\$17.92	\$24.61	\$38.08	\$58.86	\$31.78
Building and Grounds Cleaning and Maintenance	\$13.07	\$14.54	\$18.19	\$23.06	\$16.23
Business and Financial Operations	\$25.68	\$36.81	\$48.19	\$62.80	\$39.72
Community and Social Service	\$18.22	\$23.28	\$30.07	\$38.62	\$25.94
Computer and Mathematical	\$30.09	\$46.90	\$61.55	\$78.67	\$48.01
Construction and Extraction	\$18.12	\$23.18	\$30.75	\$44.75	\$26.87
Educational Instruction and Library	\$17.84	\$27.51	\$37.09	\$48.23	\$29.88
Farming, Fishing, and Forestry	\$14.00	\$14.36	\$17.86	\$23.14	\$16.70
Food Preparation and Serving Related	\$10.82	\$13.65	\$15.05	\$18.90	\$14.16
Healthcare Practitioners and Technical	\$23.41	\$36.08	\$48.00	\$74.43	\$43.80
Healthcare Support	\$13.72	\$14.37	\$17.91	\$22.58	\$16.02
Installation, Maintenance, and Repair	\$17.93	\$23.05	\$29.81	\$38.20	\$25.66
Legal	\$28.08	\$39.63	\$75.43	#	\$54.38
Life, Physical, and Social Science	\$23.78	\$34.97	\$48.19	\$63.09	\$38.81
Management	\$35.92	\$49.25	\$77.39	#	\$59.31
Office and Administrative Support	\$14.51	\$18.29	\$23.31	\$30.01	\$20.88
Personal Care and Service	\$11.33	\$14.16	\$18.05	\$23.76	\$16.17
Production	\$14.44	\$18.13	\$23.23	\$29.96	\$20.71
Protective Service	\$15.12	\$22.40	\$31.06	\$46.59	\$25.68
Sales and Related	\$12.92	\$14.71	\$23.55	\$39.28	\$22.15
Transportation and Material Moving	\$14.19	\$17.72	\$22.88	\$29.72	\$19.88
(1) This wage is equal to or greater than \$100.00 per hour or \$208,000 per year					

In Table 5.A.1.c, We report hourly wage rates for the occupations with relatively high annual rates of fatal work injuries per 100,000 workers (from Table 4.B.1.b) that can be compared with the averages of the ILWU-PMA contract rates for 2021 that were displayed in Table 5.A.1.a. An inspection of Table 5.A.1.c reveals that the wage rates based on the ILWU-PMA contract are higher than those of any of the occupations with the highest fatality rates, except aircraft pilots.

Table 5.A.1.c- Hourly Wage Rates of Occupations with High Rates of Fatalities

Occupation	2021	
	Median Hourly Wage Rate	Average Hourly Wage Rate
Fishing and hunting workers	*	*
Logging workers	\$ 22.27	\$ 21.63
Aircraft pilots and flight engineers	*	*
Roofers	\$ 22.65	\$ 23.51
Helpers, construction trades	\$ 17.55	\$ 17.95
Refuse and recyclable material collectors	\$ 18.51	\$ 20.57
Driver/sales workers and truck drivers	\$ 21.91	\$ 21.85
Structural iron and steel workers	\$ 28.15	\$ 29.46
Farmers, ranchers and other agricultural managers	\$ 35.12	\$ 37.71
Grounds maintenance workers	\$ 17.05	\$ 17.29

\* No hourly wage data available

Source: National Compensation Survey: Occupational Wages in the United States, May 2021

In addition to the wage rates reported in Table 5.A.1.a, the current ILWU-PMA contract specifies hourly adjustments for the handling of various types of cargo (“Penalty Cargo”) that range from \$.15 to \$1.20 per hour. (A special penalty for explosive cargo is equal to the worker’s straight-time rate.) Furthermore, registered employees who begin work on a shift are generally guaranteed pay for the entire shift. To convey a sense of effective hourly rates that reflect skill, shift, overtime, and cargo penalties, We have computed the average straight-time hourly rates and the average overall hourly rates for various ILWU jobs in 2021, which are displayed in Table 5.A.1.d. Comparisons between these data and the OES data are best made with the straight-time hourly rates for 2021, which are what the OES data reflect. The substantial differences between the straight-time and overall rates are explained by the significant shares of hours that are paid at overtime rates. Those shares are also displayed in Table 5.A.1.d.

Table 5.A.1.d- ILWU 2021 Hourly Wage Rates by Job

Job	Average Straight-time Rate	Average Overall Rate	Overtime Hours as % of All Hours
<b>2021</b>			
All ILWU Workers	\$54.00	\$61.44	36.10%
<b>Longshore</b>			
All	\$54.62	\$61.78	35.19%
Tractor- Semi-Dock	\$54.86	\$59.83	31.00%
Top Handler	\$58.15	\$65.73	41.09%
ILWU Mech. Day	\$60.12	\$68.02	35.51%
Dockman	\$51.23	\$55.80	29.33%
Lasher	\$51.36	\$57.29	37.03%
LA/LB Steady Hammerhead Only	\$59.04	\$67.09	45.87%
Holdman	\$52.15	\$57.02	31.57%
Lift Truck- Heavy	\$54.83	\$60.38	27.88%
Hall Crane Rated Equipment- Yard	\$58.60	\$64.72	33.96%
Vessel Clerk Supervisor (Computer)	\$56.76	\$64.82	45.08%
LA/LB Steady Crane Guarantee	NA	NA	NA
Yard Directing Supervisor (Computer)	\$55.66	\$62.14	33.88%
Crane Container Gantry	\$59.34	\$66.83	42.83%
<b>Clerks</b>			
All	\$56.75	\$64.96	44.76%
Yard Directing Supervisor (Computer)	\$55.82	\$63.07	38.10%
Chief Supervisor	\$57.94	\$67.14	49.44%
Computer Kitchen/Tower Supervisor	\$55.90	\$63.15	37.99%
Vessel Clerk Supervisor (Computer)	\$59.10	\$66.49	46.83%
<b>Foremen (30%)</b>			
All	\$72.67	\$83.25	46.52%
30% Foremen W/B Ship	\$72.55	\$83.38	48.41%
30% Foremen (Steady) Dock	\$72.75	\$83.60	47.01%
30% Foremen W/B DOCK	\$71.36	\$81.88	43.82%
30% Foremen (Steady) Ship	\$73.70	\$84.61	49.58%

*Data provided by the Pacific Maritime Association*

### 5.A.2. Annual Earnings

The earnings of hourly workers depend on both their wage rates and on the number of hours worked. Because the hours worked can vary throughout the year, and because those variations may differ across occupations, it is often instructive to consider the average annual earnings of different groups of workers.

Annual earnings data are sometimes reported as averages (means), sometimes as medians (50th-percentile), and

sometimes in both ways. For any given group of people, the average earnings usually exceed the median earnings because most earnings distributions are asymmetric with longer right tails. That is, there are usually a relatively small number of individuals with unusually high earnings, which pull up the average but do not affect the median. Both averages and medians are reported here because some of the available benchmarks (e.g., BLS data) are reported only in averages or only in medians.

The average and median 2019, 2020 and 2021 *annual* earnings of Class A Longshore workers, Class B Longshore workers, Marine Clerks, and Foremen who were paid for 2000 or more hours – a typical full-time year for workers in many industries– are displayed in Table 5.A.2.a.

Table 5.A.2.a- Average Annual ILWU Full-time Full-year Earnings

	2019		2020		2021	
	Median Annual Earnings	Average Annual Earnings	Median Annual Earnings	Average Annual Earnings	Median Annual Earnings	Average Annual Earnings
Foremen	\$278,586	\$281,873	\$277,693	\$285,048	\$302,491	\$311,656
Clerks	\$187,265	\$195,310	\$201,497	\$206,101	\$210,865	\$217,699
Longshoremen A	\$171,629	\$177,205	\$177,887	\$184,640	\$188,734	\$194,340
Longshoremen B	\$138,528	\$144,628	\$149,648	\$156,556	\$148,497	\$155,910

Source: Pacific Maritime Association

The reader will note that, as discussed in the text above Table 5.A.2.a., the mean earnings figures are all somewhat higher than the corresponding medians.

BLS publishes data on the median weekly earnings of union and non-union full-time wage and salary workers.<sup>38</sup> Because the data reflect “typical” weeks (including typical overtime earnings), they can be increased 52-fold to provide estimates of annual earnings.<sup>39</sup> 2019 and 2021 annual estimates for people working in various occupations are displayed in Table 5.A.2.b. It is appropriate to compare the BLS data with the ILWU data from the same year because the BLS data reflect earnings within the year. In all four cases, Class A Longshore workers, Class B Longshore workers, Marine Clerks, and Foremen, both the 2019 and 2021 median annual earnings are much higher than the median of any of the union or non-union occupation groups shown in Table 5.A.2.b.

<sup>38</sup> “Union Members in 2019,” *United States Department of Labor News*, U.S. Bureau of Labor Statistics

<sup>39</sup> This measure of annual earnings will implicitly include paid holidays and paid vacations as do the annual earnings data collected by PMA.

Table 5.A.2.b- Average Annual Full-time Full-year Earnings by Occupation

Occupation	2019 Annual Median Earnings*			2019 Average Earnings**	2021 Annual Median Earnings*			2021 Average Earnings**
	Total	Members of Unions	Non-Union Members		Total	Members of Unions	Non-Union Members	
Foremen***	\$278,586	\$278,586	NA	\$281,873	\$240,713	\$240,713	NA	\$251,391
Clerks***	\$187,265	\$187,265	NA	\$195,310	\$174,931	\$174,931	NA	\$181,255
Longshoremen A***	\$171,629	\$171,629	NA	\$177,205	\$164,785	\$164,785	NA	\$169,810
Longshoremen B***	\$138,528	\$138,528	NA	\$144,628	\$147,005	\$147,005	NA	\$150,727
Management	\$76,856	\$75,192	\$77,012	\$122,480	\$80,392	\$80,340	\$80,444	\$123,370
Business and financial operations	\$66,820	\$63,284	\$67,080	\$78,130	\$71,864	\$67,652	\$72,332	\$82,610
Computer and mathematical	\$82,108	\$72,384	\$82,784	\$93,760	\$86,320	\$76,076	\$86,996	\$99,860
Architecture and engineering	\$80,600	\$77,584	\$80,964	\$88,800	\$85,332	\$92,040	\$84,916	\$91,740
Life, physical, and social science	\$69,368	\$79,976	\$66,872	\$77,540	\$73,164	\$69,472	\$73,632	\$80,730
Community and social service	\$50,336	\$61,256	\$48,256	\$50,480	\$55,380	\$69,784	\$52,520	\$53,960
Legal	\$81,224	\$81,588	\$81,172	\$109,630	\$82,472	\$89,856	\$82,472	\$113,100
Education, training, and library	\$54,964	\$60,996	\$50,544	\$57,710	\$59,176	\$66,196	\$53,300	\$62,140
Arts, design, entertainment, sports, and media	\$59,852	\$72,228	\$59,228	\$61,960	\$63,908	\$74,568	\$63,180	\$66,100
Healthcare practitioners and technical	\$61,360	\$66,300	\$60,424	\$83,640	\$66,196	\$72,904	\$65,468	\$91,100
Healthcare support	\$30,732	\$35,568	\$30,368	\$31,010	\$33,124	\$36,660	\$32,708	\$33,330
Protective service	\$46,800	\$64,636	\$38,428	\$49,880	\$51,896	\$66,456	\$43,992	\$53,420
Food preparation and serving related	\$27,144	\$32,448	\$26,988	\$26,670	\$29,796	\$33,904	\$29,640	\$29,450
Building and grounds cleaning and maintenance	\$30,160	\$36,712	\$29,484	\$31,250	\$32,396	\$38,064	\$31,824	\$33,750
Personal care and service	\$29,380	\$32,240	\$29,068	\$31,260	\$32,136	\$32,344	\$32,084	\$33,620
Sales and related	\$43,160	\$41,496	\$43,316	\$43,060	\$46,124	\$42,016	\$46,280	\$46,080
Office and administrative support	\$38,064	\$46,020	\$37,284	\$41,040	\$41,912	\$49,972	\$41,132	\$43,430
Farming, fishing, and forestry	\$29,848	-	\$29,744	\$31,340	\$32,396	-	\$31,980	\$34,730
Construction and extraction	\$45,032	\$62,452	\$41,652	\$52,580	\$47,008	\$65,624	\$43,524	\$55,900
Installation, maintenance, and repair	\$48,828	\$64,272	\$46,904	\$50,130	\$52,884	\$66,924	\$51,116	\$53,380
Production	\$38,740	\$47,320	\$37,544	\$40,140	\$42,068	\$49,764	\$41,028	\$43,070
Transportation and material moving	\$36,972	\$49,036	\$35,620	\$37,920	\$38,376	\$50,752	\$37,076	\$41,340

- indicates that there is no data or that data is unpublishable

Source: \*BLS, Union Members, Table 4; \*\*Occupational Employment Statistics, \*\*\*Pacific Maritime Association

BLS also publishes data on average weekly earnings of workers by industry. We have displayed the annual earnings implied by those weekly earnings in Table 5.A.2.c. The 2019 annual median earnings of full-time Class A Longshore workers (\$171,629), Class B Longshore workers (\$138,528), Marine Clerks (\$187,265), and Foremen (\$278,586) are much



higher than the annual median earnings of union or non-union workers in any of the industry groups shown in Table 5.A.2.c.

**Table 5.A.2.c – Average and Median Annual Full-time Full-year Earnings by Industry**

Industry	2019 Median Annual Earnings			2019 Average Earnings Total
	Total	Members of Unions	Non-Union Members	
Foremen	\$278,586	\$278,586		\$281,873
Clerks	\$187,265	\$187,265		\$195,310
Longshoremen A	\$171,629	\$171,629		\$177,205
Longshoremen B	\$138,528	\$138,528		\$144,628
Accommodation	\$32,292	\$36,608	\$32,032	\$33,730
Agriculture and related industries	\$31,772	NA	\$31,720	\$33,510
Arts, entertainment, and recreation	\$39,468	\$42,588	\$39,104	\$39,300
Construction	\$47,268	\$65,364	\$45,136	\$57,110
Educational services	\$52,780	\$58,708	\$51,688	\$58,080
Federal Government	\$63,544	\$59,852	\$64,532	\$77,600
Finance	\$63,700	NA	\$63,804	-
Food services and drinking places	\$29,224	\$31,772	\$29,120	\$26,950
Health care and social assistance	\$44,928	\$52,416	\$44,252	\$55,300
Insurance	\$58,448	NA	\$58,396	-
Local Government	\$51,948	\$59,800	\$46,176	\$55,340
Management, administrative, and waste services	\$36,296	\$40,040	\$36,088	-
Manufacturing- Durable goods	\$50,596	\$51,064	\$50,544	-
Manufacturing- Nondurable goods	\$45,916	\$47,528	\$45,708	-
Mining, quarrying, and oil and gas extraction	\$73,996	NA	\$73,320	\$65,860
Motion pictures and sound recording	\$54,184	\$75,556	\$52,936	\$63,650
Other services, except private households	\$41,392	\$57,928	\$40,820	-
Professional and technical services	\$75,504	\$61,308	\$75,660	\$85,720
Publishing, except Internet	\$60,268	NA	\$60,736	\$90,030
Radio and television broadcasting and cable subscription programming	\$55,172	\$71,292	\$52,988	\$69,880
Real estate and rental and leasing	\$49,296	\$48,932	\$49,348	\$51,190
Retail trade	\$36,452	\$38,688	\$36,348	\$34,870
State Government	\$52,780	\$59,176	\$49,868	\$63,110
Telecommunications	\$63,076	\$65,364	\$63,284	\$74,130
Transportation and warehousing	\$43,680	\$57,356	\$41,548	\$49,850
Utilities	\$69,108	\$75,972	\$66,196	\$81,550
Wholesale trade	\$50,076	\$48,724	\$50,128	\$59,110

The U.S. Department of Commerce Bureau of the Census (hereafter “Census”) publishes data on the average annual earnings of people with different levels of educational attainment (high school degree, college degree, etc.) The data are published for all workers and for the subset of people who worked full-time all year. Table 5.A.2.d. displays the average 2019 earnings data for all full-time full-year workers in various education categories.<sup>40</sup>

**Table 5.A.2.d – Average Annual, Full-time, Full-year, Earnings by Educational Attainment**

Educational Attainment	2019 Average Earnings
Non-High School Graduate, 9th to 12 grade	\$40,858
High School Graduate including GED	\$47,833
Some College No Degree	\$56,897
Bachelor's Degree	\$84,896
Master's Degree	\$106,841
Professional Degree	\$172,878
<b>ALL</b>	<b>\$71,684</b>

Source: U.S. Census Bureau, Current Population Survey, Table PINC04

The 2019 annual earnings of Foremen (\$281,873), as displayed in Table 5.A.2.a, are much higher than the average annual earnings of workers in any of the education groups as can be seen in Table 5.A.2.d. Marine Clerks annual earnings average (\$186,438) was slightly higher than those holding a professional degree and they are substantially higher than the remaining 5 education levels listed in the table. The earnings of Class A and B Longshore workers (\$163,483 and \$144,677, respectively) are substantially higher than all education groups except for the group holding professional degrees (e.g., M.D., J.D., and Ph.D.).

Census also publishes data on the average annual earnings of people in different narrowly defined occupations. Table 5.A.2.e displays the average 2019 earnings data for all full-time full-year workers who worked full-time full-year in selected occupations.<sup>41</sup>

<sup>40</sup> Earnings data are also available for various subgroups defined by age, gender, race, and ethnicity. Non-Hispanic, white, males who work full-time all year have the highest average earnings of any race/gender subgroup.

<sup>41</sup> Again the data are published for all workers and for the subset of people who worked full-time all year, and the data are available for various subgroups defined by age, gender, race, and ethnicity

Inspecting Table 5.A.2.e, one can see that:

- The average annual earnings of ILWU Foremen in 2019 (\$281,873) exceed those of all of the occupations listed including doctors and others with significant levels of education or training.
- The average annual earnings of ILWU clerks (\$195,310) and Class A longshore workers (\$177,205) exceed those of all of the occupations listed except doctors and lawyers.<sup>42</sup>
- The average annual earnings of Class B longshore workers (\$144,628) are lower than those of doctors and lawyers and slightly less than chief executives.<sup>43</sup>

Table 5.A.2.e - Average and Median Annual Full-time Full-year Earnings for Selected Occupations

Occupation	2019 Earnings of Full-Time Full-Year Workers	
	Median Earnings	Average Earnings
Lawyers, Judges, and Magistrates	\$151,762	\$191,167
Doctors	\$174,260	\$219,498
Chief Executives, General and Operations Managers	\$111,827	\$158,198
Aircraft Pilots and flight engineers	\$130,351	\$153,636
Engineers	\$95,272	\$119,206
Architects, except naval	\$91,084	\$114,761
Postsecondary Teachers	\$77,544	\$100,565
Fire Fighters and Police	\$75,530	\$81,270
Extraction	\$56,963	\$69,217
Construction	\$46,606	\$52,681
- Data are unavailable		

Source: U.S. Census Bureau, Current Population Survey, PINC 06

The average 2019 earnings of fire fighters and police, \$81,270, is an interesting benchmark for ILWU workers because firefighters and police have similar educational requirements and because their injury rates are slightly higher (4.4) than those of ILWU workers (3.2). The average 2019 earnings of ILWU Foremen (\$281,873), Marine Clerks (\$195,310), and Class A Longshoremen (\$177,205) were, respectively, 3.5 times, 2.4 times, and 2.2 times those of fire fighters and police.

One important factor underlying the relatively high annual earnings of ILWU workers is the large numbers of hours for which they are paid. Table 5.A.2.f displays the average earnings of ILWU workers who are paid for different numbers of hours. It is no surprise that there is a strong positive correlation between the number of hours paid and annual earnings.

Table 5A2f - Mean Earnings and Hours Worked in 2019

Job Category	Hours Category	Mean Earnings	Mean Hours Worked
Longshoremen Class A	1-1600	\$68,117	1,037
	1601-2000	\$116,359	1,800
	2001-2400	\$141,046	2,198
	2401-2800	\$167,514	2,597
	2801-3200	\$198,432	2,984
	3201-3600	\$226,301	3,375
	3601-4000	\$248,217	3,782
	4000 PLUS	\$285,025	4,290
Longshoremen Class B	1-1600	\$60,779	1,088
	1601-2000	\$106,407	1,818
	2001-2400	\$127,780	2,178
	2401-2800	\$155,871	2,572
	2801-3200	\$185,050	2,960
	3201-3600	\$209,321	3,343
	3601-4000	\$221,622	3,837
	4000 PLUS	\$0	0
Marine Clerks	1-1600	\$66,190	930
	1601-2000	\$123,630	1,825
	2001-2400	\$146,663	2,208
	2401-2800	\$170,759	2,609
	2801-3200	\$197,010	2,996
	3201-3600	\$224,726	3,392
	3601-4000	\$252,428	3,778
	4000 PLUS	\$286,806	4,277
Foremen	1-1600	\$88,732	902
	1601-2000	\$165,845	1,824
	2001-2400	\$197,894	2,210
	2401-2800	\$237,748	2,605
	2801-3200	\$271,479	3,011
	3201-3600	\$305,020	3,384
	3601-4000	\$341,800	3,772
	4000 PLUS	\$405,887	4,593

*Data provided by the Pacific Maritime Association*

In Table 5.A.2.g, we report average annual earnings of workers in industries with incidences of non-fatal injury above 4.5

per 100,000 (from Table 4.B.1.a). The averages in Table 5.A.2.g are for full-time and part-time workers combined, so they can be compared with \$130,045, the average earnings of all ILWU Longshoremen in 2019. An inspection of Table 5.A.2.g reveals that the earnings rates based on the ILWU-PMA contract are higher than the average rates of all of the industries, with the exception of Spectator Sports, that have the highest incidences of lost workday cases of illness or injury.

Table 5.A.2.g - Average Annual Earnings in 2019 of Industries with High Incidences of Injuries

Industry	Average Annual Earnings in 2019
Prefabricated wood building manufacturing	\$46,458
Concrete pipe, brick, and block manufacturing	\$58,518
Nursing and residential care facilities (State Government)	\$49,022
Leather and hide tanning and finishing	\$48,879
Spectator sports	\$168,545
Couriers and express delivery services	\$47,571
Couriers and messengers	\$45,902
Scheduled passenger air transportation	\$89,733
Scheduled air transportation	\$89,146
Steel foundries (except investment)	\$61,796
Air transportation	\$90,271
Skiing facilities	\$24,695
Amusement and theme parks	\$29,526
Elevator and moving stairway manufacturing	\$76,135
Rendering and meat byproduct processing	\$61,338
Seafood product preparation and packaging	\$49,847
Soft drink manufacturing	\$58,780
Urban transit systems	\$52,127
Hospitals (State Government)	\$68,982
Dried and dehydrated food manufacturing	\$50,310
Truss manufacturing	\$45,344
All other wood product manufacturing	\$45,787
Amusement parks and arcades	\$27,885
Nursing and residential care facilities (Local Government)	\$39,546
Framing contractors	\$46,422
Refrigerated warehousing and storage	\$52,440
Ambulance services	\$42,744

The annual earnings of ILWU workers are due not just to their hourly wages, but also to the fact that the ILWU-PMA contract often requires that ILWU workers be paid for significantly more hours than they actually work. The contract includes, for example, guarantees that workers who begin a shift are generally paid for the entire shift, and in some cases other minimums are stipulated. There is also a Pay Guarantee Program under which workers may be paid when there is no work available. For these and other reasons, the number of hours paid can significantly exceed the number

of hours worked.

### 5.A.3. Earnings Over the Worklife

Individuals' hourly wage rates tend to vary over their worklives because of their experience and the knowledge they acquire. Hours worked may also vary over the worklife due to seniority systems and changing worker choices regarding hours. Because these age patterns in hourly wage rates and hours worked vary across occupations, it is instructive to consider earnings over typical worklives, what labor economists call age-earnings profiles, when making earnings comparisons.

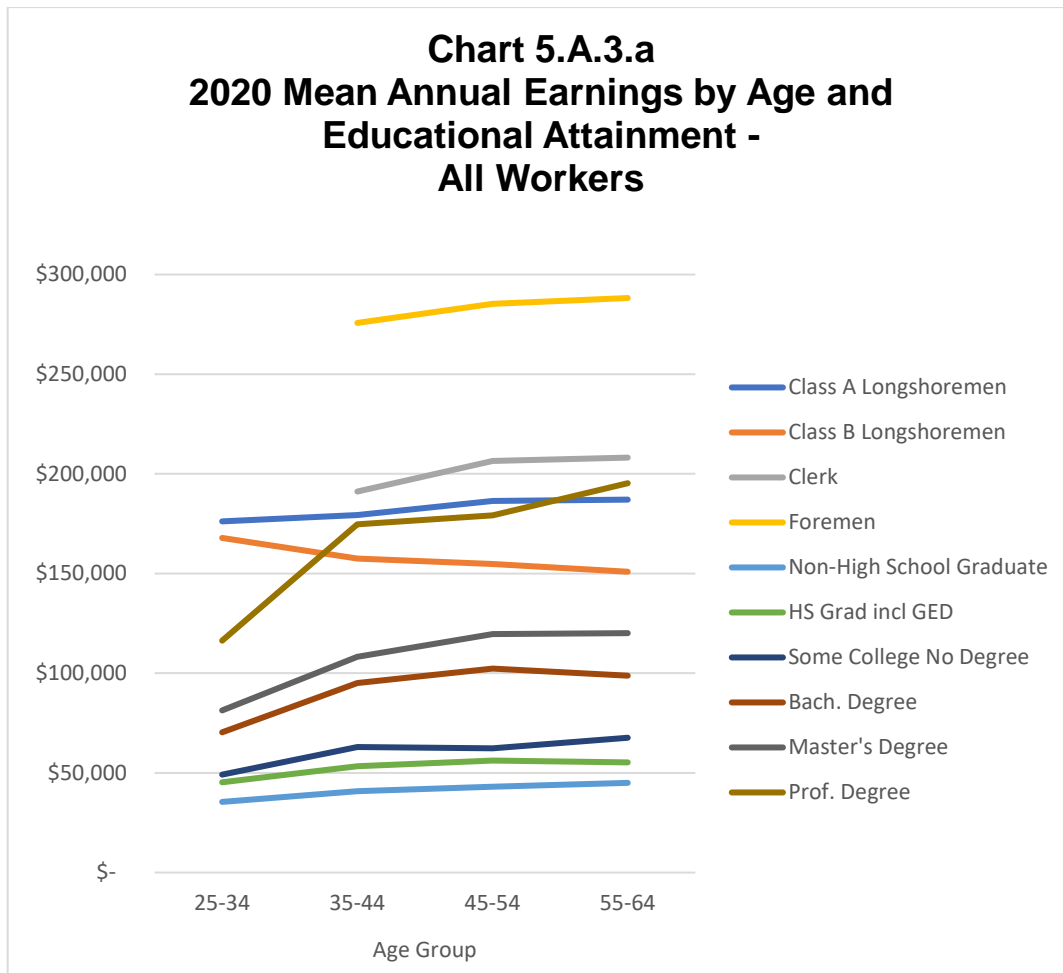


Chart 5.A.3.a displays the average 2020 earnings of Longshoremen, Marine Clerks, and Foremen of various ages who were paid 2000 or more hours and compares them with 2020 earnings data from the U.S. Bureau of the Census for all full-time full-year workers of various ages with different levels of education. It is clear that over their worklives:

- ILWU Foremen earn more than the average members of all education groups;
- ILWU Marine Clerks and Class A Longshoremen earn more than the average members of all groups with Masters degrees or lower levels of education; and

- ILWU Class B Longshoremen earn more than the average members of all groups with Bachelor's degrees or lower levels of education.

To convey a numerical sense of the sizes of the earnings advantages of ILWU members over their worklives We have considered five hypothetical workers with different levels of education (all but professional degree recipients). For each hypothetical person We have computed the annual differences between the earnings he could anticipate as a Class A Longshoreman and the average earnings of his educational cohort from age 25 to age 64. In a second set of calculations, We have computed the annual differences for a worker who starts out as 25-year-old Class A Longshoreman, becomes a Marine Clerk at age 35, and works to age 64.

We have computed the discounted sums of the present values of the annual earnings differences. The calculations are displayed in Appendix Table 1. Those sums can be interpreted as the current financial values of being a Class A Longshoreman from age 25 to 64 or a Class A Longshoreman from age 25 to 34 and a Marine Clerk from age 35 to 64 for individuals who would otherwise experience the average earnings of full-time full-year workers with the specified levels of education.<sup>44</sup> Those values are adjusted for both inflation and the time value of money.

The worklife financial value of becoming a Class A Registered Longshoreman at 25 is:

- \$4.3 million for a high school dropout;
- \$4.0 million for a high school graduate;
- \$3.7 million for one who has completed some college;
- \$2.8 million for one who has a bachelor's degree; and
- \$2.3 million for one who has a master's degree.<sup>45</sup>

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<sup>44</sup> The calculations assume that ILWU earnings will grow in the future at the same rate as average earnings of the education cohorts. The real (after inflation) discount rate is 2%.

<sup>45</sup> When compared with the average earnings of non-Hispanic, white males with the specified levels of education, the values of becoming a longshore worker are \$4.1, \$3.9, \$3.7, \$2.7, and \$2.3 million, respectively. (The average Class A Longshoreman would earn \$0.3 million more than the average non-Hispanic, white, male with a professional degree.)

Typically 25-year olds would start out as Longshoremen and become Marine Clerks later, so we have computed the worklife financial value of becoming a Class A Registered Longshoreman at age 25 and a Marine Clerk at 35, which is:

- \$4.7 million for a high school dropout;
- \$4.4 million for a high school graduate;
- \$4.1 million for one who has completed some college;
- \$3.2 million for one who has a bachelor's degree, and
- \$2.7 million for one who has a master's degree.<sup>46</sup>

## 5.B. Fringe Benefits

In this section, we consider five categories of fringe benefits:

1. Holiday and Vacation Pay;<sup>47</sup>
2. Health Care Benefits;
3. Private retirement benefit programs;
4. Public retirement benefit programs; and
5. Life, short-term disability, and long-term disability insurance

We also consider the employer's total cost of benefits.

### 5.B.1. Holiday and Vacation Pay

#### *Numbers of Paid Holidays*

Many American workers are paid as if they had worked on specific holidays. The numbers and selections of days are highly variable across occupations and across employers. Workers are typically entitled to additional pay if they are asked to work on designated holidays.<sup>48</sup>

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<sup>46</sup> When compared with the average earnings of non-Hispanic, white males with the specified levels of education, the values of becoming a longshore worker at 25 and a clerk at 35 are \$4.6, \$4.3, \$4.0, \$3.1, and \$2.7, respectively. (The average worker in this scenario would earn \$0.75 million more than the average non-Hispanic, white, male with a professional degree.)

<sup>47</sup> While holiday and vacation pay are usually thought of as fringe benefits, it should be noted that the values of holiday and vacation pay are included in the annual earnings figures for ILWU workers that were presented above.

<sup>48</sup> It is important to note that holiday pay will typically be included in employer or government reports of annual or average weekly earnings. Holiday pay is included in the annual earnings data collected by PMA.



Table 5.B.1.a - Private Sector Paid Holidays in 2021

Workforce Characteristics	Average Number of Paid Holidays	Percent of Workers with 13 or More Holidays
ILWU	13	100%
Union	9	6%
Non-Union	8	5%
Total Private Sector	8	5%
Management, Professional, and Related	9	7%
Sales and Office	7	3%
Service	6	<0.5%
Natural Resources, Construction, and Maintenance	7	1%
Production, Transportation, and Material Moving	8	5%
Average wage within lowest 25 percent	6	<0.5%
Average wage within second 25 percent	8	3%
Average wage within third 25 percent	8	6%
Average wage within highest 25 percent	9	6%
Employer has 1-99 Workers	7	3%
Employer has 100 or more Workers	8	6%

Source: National Compensation Survey, Employee Benefits Survey, March 2021, Table 34

ILWU workers are paid for 13 holidays per year, which is significantly more than the averages for each of the groups of American workers that are displayed in Table 5.B.1.a. As reported in that table, across the entire private sector, only 5% have as many as 13 paid holidays per year.<sup>49</sup> Union workers tend to have more paid holidays than non-union workers, but only 6% of union workers have as many as 13.

<sup>49</sup> Data are also available on the percentages of workers who have 11 or more holidays, which is 9% for the private sector. It is noteworthy that so few workers have even close to the number of holidays enjoyed by ILWU workers.

## Numbers of Paid Vacation Days

The amounts of vacation pay received by ILWU workers depend on their hours worked and years of service. A registrant who has worked at least 1,300 hours in the previous year<sup>50</sup> receives:

- 2 weeks (80 hours) after 1 year
- 3 weeks (120 hours) after 8 years
- 4 weeks (160 hours) after 17 years
- 5 weeks (200 hours) after 23 years
- 6 weeks (240 hours) after 25 years

Table 5.B.1.b.1 shows the implication of these rules for vacation eligibility at the service break points reported by BLS to facilitate comparison with the published data that are presented in Table 5.B.1.b.1 and Table 5.B.1.b.2. Typically, the number of paid vacation days increases with years of service as is indicated in Table 5.B.1.b. Comparing the schedules for ILWU workers and all private sector workers, ILWU workers get fewer vacation days until 20 years of service, when both ILWU workers and private sector workers average 20 days of vacation. The comparison with union workers is similar except that ILWU workers still trail them at 20 years.

Workforce	Years of Service	Workers with Consolidated Leave Plans						No Consolidated Leave Plan	All Vacation					
		Average Number of Paid Vacation Days per Year	Percent of Workers with 5 or Greater Vacation	Percent of Workers with 10 or Greater Vacation	Percent of Workers with 15 or Greater Vacation Days	Percent of Workers with 20 or greater Vacation Days	Percent of Workers with 25 or Greater Vacation Days	Average Number of Paid Vacation Days per Year	Average Number of Paid Vacation Days per Year	Percent of Workers with 5 or Greater Vacation	Percent of Workers with 10 or Greater Vacation	Percent of Workers with 15 or Greater Vacation Days	Percent of Workers with 20 or greater Vacation Days	Percent of Workers with 25 or Greater Vacation Days
ILWU	After 1 Year	10.0	100%	100%	0%	0%	0%							
	After 5 Years	10.0	100%	100%	0%	0%	0%							
	After 8 Years	15.0	100%	100%	100%	0%	0%							
	After 10 Years	15.0	100%	100%	100%	0%	0%							
	After 17 Years	20.0	100%	100%	100%	100%	0%							
	After 20 Years	20.0	100%	100%	100%	100%	0%							
	After 23 Years	25.0	100%	100%	100%	100%	100%							
	After 25 Years	30.0	100%	100%	100%	100%	100%							
All Private Sector Workers	After 1 Year	14.0						8.0	11.0	92%	61%	27%	9%	2%
	After 5 Years	18.0						12.0	15.0	97%	85%	55%	23%	7%
	After 8 Years	NA						NA	NA	NA	NA	NA	NA	NA
	After 10 Years	20.0						15.0	17.0	98%	90%	72%	40%	17%
	After 17 Years	NA						NA	NA	NA	NA	NA	NA	NA
	After 20 Years	23.0						17.0	20.0	98%	90%	77%	57%	28%
	After 23 Years	NA						NA	NA	NA	NA	NA	NA	NA
	After 25 Years	NA						NA	NA	NA	NA	NA	NA	NA

Source: PMA Contract and National Compensation Survey 2021

<sup>50</sup>Registrants who do not meet the 1,300 hour requirement but who log at least 800 hours in the previous year are eligible for one week vacation after the 1<sup>st</sup> year, and up to four weeks of vacation after 25 years. Furthermore, the 1,300/800 hours thresholds may actually be as low as 800/552, depending on average port hours, so the benefits can be more generous than described in the text.

Table 5.B.1.b.2 - 2020 Average Number of Days of Vacation

		Average number of vacation days (with consolidated leave plan)	Average number of vacation days (without consolidated leave plan)
Union	After 1 Year	13	8
	After 5 Years	18	13
	After 8 Years	NA	NA
	After 10 Years	21	16
	After 17 Years	NA	NA
	After 20 Years	24	21
	After 23 Years	NA	NA
	After 25 Years	NA	NA
Non-Union	After 1 Year	14	8
	After 5 Years	18	12
	After 8 Years	NA	NA
	After 10 Years	20	15
	After 17 Years	NA	NA
	After 20 Years	23	16
	After 23 Years	NA	NA
	After 25 Years	NA	NA
Management, Professional and Related	After 1 Year	16	11
	After 5 Years	20	15
	After 8 Years	NA	NA
	After 10 Years	22	17
	After 17 Years	NA	NA
	After 20 Years	24	19
	After 23 Years	NA	NA
	After 25 Years	NA	NA
Service	After 1 Year	12	6
	After 5 Years	16	10
	After 8 Years	NA	NA
	After 10 Years	19	12
	After 17 Years	NA	NA
	After 20 Years	20	13
	After 23 Years	NA	NA
	After 25 Years	NA	NA

Sales and Office	After 1 Year	13	8
	After 5 Years	18	12
	After 8 Years	NA	NA
	After 10 Years	21	15
	After 17 Years	NA	NA
	After 20 Years	24	17
	After 23 Years	NA	NA
	After 25 Years	NA	NA
Natural Resources, Construction, and Maintenance	After 1 Year	11	7
	After 5 Years	14	6
	After 8 Years	NA	NA
	After 10 Years	17	14
	After 17 Years	NA	NA
	After 20 Years	19	15
	After 23 Years	NA	NA
	After 25 Years	NA	NA
Production, Transportation and Material Moving	After 1 Year	10	7
	After 5 Years	14	12
	After 8 Years	NA	NA
	After 10 Years	17	15
	After 17 Years	NA	NA
	After 20 Years	20	18
	After 23 Years	NA	NA
	After 25 Years	NA	NA

Source: National Compensation Survey, Employee Benefits Survey, 2021

### Employer's Cost of Holidays and Paid Vacations

We have estimated the employers' costs of paid holidays in Table 5.B.1.c along with average employer's hourly costs of paid holidays and vacations for various groups of workers in the American economy as published by the BLS.<sup>51</sup> Dollar costs of holidays for ILWU workers are substantially higher than all of the other costs reported for two reasons:

- ILWU workers have an unusually large number of paid holidays, and
- ILWU workers' wage rates tend to be higher than average rates for other groups as was discussed above.

According to the 2020 Annual Report, the average lengths of paid vacations of Longshoremen, Clerks, and Foremen were 15.5 days, 23.5 days, and 25.5 days, respectively.<sup>52</sup> The average across all three groups was 17 days. Average amounts of vacation pay for Longshoremen, Clerks, and Foremen were \$6,539, \$9,932, and \$13,744, respectively. The average across all three groups was \$7,438. These amounts are converted into dollars per hour in Table 5.B.1.c. The employers'

<sup>51</sup> "Employer Costs for Employee Compensation December 2021,"

<sup>52</sup> The reported numbers of weeks have been converted to days (5 days per week) to facilitate comparisons.

costs per hour are high relative to the overall private sector and the unionized private sector because the straight-time wage rates, on which vacation pay is based, of ILWU workers are relatively high.<sup>53</sup>

Table 5.B.1.c also displays average employer's hourly costs of vacations for various groups of workers in the American economy as published by BLS. Those costs are described both in dollars and as percentages of the average hourly wage rates of the groups. We have estimated the analogous figures for ILWU workers of PMA members using a method that is consistent with those applied by the U.S. Bureau of Labor Statistics.

Table 5.B.1.c - 2020 Employer's Cost of Paid Holidays and Vacations

Workforce Characteristics	Holidays		Vacations		Paid Leave (Vacation, Holiday, Sick and Personal)	
	Hourly Cost in Dollars	Hourly Cost as Percentage of Hourly Wage	Hourly Cost in Dollars	Hourly Cost as Percentage of Hourly Wage	Hourly Cost in Dollars	Hourly Cost as Percentage of Hourly Wage
Longshoremen	\$3.17	5.32%	\$3.29	5.51%		
Marine Clerks	\$2.72	4.36%	\$3.84	6.15%		
Foremen	\$3.39	4.17%	\$4.88	6.00%		
All ILWU Workers	\$3.19	5.18%	\$3.70	6.02%		
Union					\$3.65	7.10%
Non-Union					\$2.66	7.40%
Total Private Sector	\$0.82	2.20%	\$1.40	3.80%	\$2.91	7.40%
Civilian Sector	\$0.86	2.20%	\$1.42	3.60%	\$4.04	7.40%
State and Local Government	\$1.14	2.10%	\$1.53	2.80%	\$2.74	7.40%
Management, Professional, and Related					\$5.91	9.30%
Sales and Office					\$1.84	6.40%
Service					\$0.78	4.20%
Natural Resources, Construction, and Maintenance					\$2.10	5.30%
Production, Transportation, and Material Moving					\$1.88	6.10%

<sup>53</sup> The PMA costs are probably also high because ILWU workers tend to have longer tenure.

Employer has 1-99 Workers		\$1.92	6.20%
Employer has 100 or more Workers		\$3.79	8.40%

Source: For non-ILWU workers, Employer's Costs for Employee Compensation, 2020

## 5.B.2. Health Care Benefits

### Incidence

Like virtually all full-time employees of larger firms, ILWU workers employed full-time by PMA members receive health care benefits as part of their compensation. Full health benefits are extended to registered ILWU workers who have worked as few as 800 hours in the previous year. Table 5.B.2.a shows the availability of medical care, dental care, vision care, and prescription drug coverage to the full-time ILWU workforce and several other groups of American workers.

We will look at two sets of benchmarks with which the ILWU health care benefits can be compared. The first source of benchmarks is the 2021 Annual Survey of Employer Health Benefits published by the Kaiser Family Foundation and Health Research & Educational Trust. The advantage of this survey is that it covers both health care plans that are collectively bargained and plans provided by non-unionized employers. The second source of benchmarks is the data published by the BLS. These data are based on a very large survey, so results can be tabulated for many different groups of employers defined by industry and other factors.

Table 5.B.2.a - Access to Private Sector Health Care Benefits, March 2021

Workforce	Percent of Workers with Access to Medical Care	Percent of Workers with Access to Dental Care	Percent of Workers with Access to Vision Care	Percent of Workers with Access to Outpatient Prescription Drug Coverage
Full-time Registered ILWU Workers	100%	100%	100%	100%
Union	95%	69%	55%	92%
Non-Union	68%	38%	23%	67%
Total Private Sector	70%	40%	26%	69%
Management, Professional, and Related	88%	59%	35%	87%
Sales and Office	67%	37%	23%	66%
Service	44%	19%	13%	43%
Natural Resources, Construction, and Maintenance	76%	38%	26%	74%
Production, Transportation, and Material Moving	77%	46%	32%	75%
Average wage in the lowest quartile	39%	15%	10%	39%
Average wage in the second quartile	71%	39%	25%	69%
Average wage in the third quartile	85%	50%	31%	83%

Average wage in the highest quartile	93%	64%	40%	92%
Employer has 1-99 Workers	58%	27%	18%	56%
Employer has 100 or more Workers	86%	57%	36%	85%

Source: PMA, BLS National Compensation Survey, March 2021

Survey data published by the Kaiser Family Foundation and the Health Research and Educational Trust (hereafter, the “Kaiser Report”) provide more detail on variation across employers of different sizes.<sup>54</sup> These data are displayed in Table 5.B.2.b.

5.B.2.b - Health Benefit Offerings by Firm Size in 2020

Firm Size (# of workers)	Among All Firms Percent Offering Health Benefits
3-9	49%
10-24	65%
25-49	74%
50-199	93%
200-999	98%
1,000-4999	99%
5,000 or more	100%
3-199	68%
200 or more	99%

Source: Kaiser Report 2021, Exhibit 2.3

<sup>54</sup> *Employer Health Benefits – 2021 Annual Survey*, Kaiser Family Foundation and the Health Research and Educational Trust, 2021

### *Sharing the Cost of Health Benefits*

Among private sector workers, a substantial majority of unionized employees and an overwhelming majority of non-unionized employees are required to contribute to the cost of their health benefits. ILWU workers make no contributions to their health care premiums and have no deductibles and virtually no co-pays<sup>55</sup> if they stay in-network or elect HMO coverage. Table 5.B.2.c reveals that a substantial majority of American workers bear some portion of the cost of their individual medical benefits and that an even larger majority bear a portion of the cost of their family benefits. Even among union workers, only half are able to avoid contributing to the cost of single coverage, while more than half must contribute to the cost of family coverage. The ILWU workers make no contribution to either single or family coverage.

For both individual and family benefits, there are substantial variations in the amounts of cost sharing across groups of workers. Employee contributions are smaller in union plans than in non-union plans. Because ILWU workers are able to obtain health care without making any contribution to the cost of their health benefits, their individual contributions are substantially lower than even the average contributions of union members.

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<sup>55</sup> There is a \$1 co-pay for prescription drugs that can be avoided by using a mail order system.



Table 5.B.2.c - Private Sector Health Care Benefits in 2021

Workforce Characteristics	Single Coverage			Family Coverage		
	Percent of Workers Not Required to Contribute	Workers' Share of Total Premium	Average Worker's Annual Contribution	Percent of Workers Not Required to Contribute	Workers' Share of Total Premium	Average Worker's Annual Contribution
Longshoremen	100%	0%	\$0	100%	0%	\$0
Marine Clerks	100%	0%	\$0	100%	0%	\$0
Foremen	100%	0%	\$0	100%	0%	\$0
KFF/HRET - Employer Sponsored Health Plans	12%	17%	\$1,299	4%	28%	\$5,969
Union	23%	17%	\$1,950	20%	19%	\$5,250
Non-Union	9%	23%	\$1,743	3%	36%	\$7,461
Total Private Sector	11%	22%	\$1,765	5%	34%	\$7,219
Management, Professional, and Related	8%	21%	\$1,732	3%	33%	\$7,187
Sales and Office	9%	22%	\$1,743	3%	35%	\$7,387
Service	16%	23%	\$1,903	5%	41%	8471.52
Natural Resources, Construction, and Maintenance	15%	22%	\$1,874	10%	33%	\$7,023
Production, Transportation, and Material Moving	11%	22%	\$1,730	8%	30%	\$6,395
Average wage lowest quartile	10%	23%	\$1,786	2%	40%	\$7,893
Average wage second quartile	10%	23%	\$1,791	5%	36%	\$7,507
Average wage third quartile	11%	22%	\$1,749	5%	33%	\$7,127
Average wage highest quartile	11%	21%	\$1,754	6%	30%	\$6,836
Employer has 1-99 Workers	14%	23%	\$1,819	5%	40%	\$8,133
Employer has 100 or more Workers	8%	21%	\$1,726	5%	29%	\$6,498
NA - data not available						

Sources: National Compensation Survey, March 2021, PMA Annual Report 2020

### *Deductibles, Coinsurance, and Co-pays*

Health benefits provided within the designated network of providers to ILWU workers require virtually no deductibles, coinsurance, or co-payments for services provided. The very modest \$1 co-pay for prescriptions is waived if employees use a mail order service to obtain a 90-day supply free of charge.

### Medical Benefits for Part-time Workers

Full health benefits are extended to registered ILWU workers who have worked as few as 800 hours in the previous year or 400 hours in the previous six months.<sup>56</sup> Such workers would be considered part-time workers. Among other firms that provide medical benefits, only 20% provide them to part-time employees. Data from the Kaiser Report, displayed in Table 5.B.2.d, show that larger firms are more likely to offer health benefits to part-time workers, but only 58% of the largest firms do so.

Table 5.B.2.d - Incidence of Medical Benefits for Workers and Retirees by Firm Size in 2021

Firm Size (# of workers)	Among All Firms	Among Firms Offering Health Benefits	
	% Offering Health Benefits	% Offering Benefits to Part-time Workers	% Offering Benefits to Retirees
3-9	49%	20%	
10-24	65%		
25-49	74%	16%	
50-199	93%		
200-999	98%	33%	24%
1,000-4,999	99%	45%	35%
5,000 or more	100%	58%	49%
Small Firms (3-199)	58%	19%	
Large Firms (200 or more)	99%	36%	27%
All Sizes	59%	20%	

Kaiser Report 2021

### Medical Benefits for Retirees

According to the Summary Plan Description of the ILWU-PMA Welfare Plan, “Most Welfare Plan participants who become Pensioners under the ILWU-PMA Pension Plan have Welfare Plan eligibility beginning on the day they become Pensioners.”<sup>57</sup> In other words, even part-time registered ILWU workers are covered at retirement. Table 5.B.2.d shows that unlike ILWU retirees, other retirees receive health benefits more rarely than part-time active employees.

<sup>56</sup> These thresholds are lowered to 480 hours in the previous year and 240 hours in the previous six months for workers assigned to minor ports.

<sup>57</sup> ILWU-PMA Welfare Plan – Summary Plan Description

### *Employer's Cost*

The employers' cost of providing welfare plan benefits (medical care and related benefits) for the plan year beginning July 1, 2020 was \$34,225 per participant.<sup>58</sup> That figure is a weighted average of the costs of single and family coverage.

The average annual hours of Class A longshoremen, Class B longshoremen, Marine Clerks, and Foremen who worked at least 800 hours in 2020 were 2312, 1855, 2818, and 3048, respectively. These averages along with the \$34,225 figure imply estimated 2021 hourly costs of \$14.80, \$18.45, \$12.15, and \$11.23, respectively, as shown in Table 5.B.2.e. (The large variations in estimated hourly costs are due to the large variations in average annual hours.)

Table 5.B.2.e also displays average employer's hourly costs of welfare benefits for various subgroups of workers in the American economy as published by the U.S. Bureau of Labor Statistics. Those costs are described in both dollars and as percentages of the hourly wage rate. (The costs of the ILWU–PMA Welfare Plan should be compared with life, health and short-term disability insurance costs as reported by BLS because the ILWU–PMA Welfare Plan includes these three types of insurance.) The estimated hourly costs of ILWU welfare benefits, based on the \$34,225 figure for Longshore workers, Marine Clerks, and Foremen are significantly higher than those for the other groups of American workers.

### *Relative Generosity of ILWU-PMA Health Benefits*

The health care benefits of ILWU workers employed by PMA members are substantially more generous than the average benefits provided to all groups of workers reported by the BLS. Some factors contributing to this relative generosity include coverage of workers and their dependents, coverage of retirees and their dependents, coverage of widows of workers and retirees, coverage of many part-time workers, employers' payment of all costs of coverage, and the absence of any significant deductibles or co-payments.

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<sup>58</sup> Milliman's 2022 analysis for the Benefit Subcommittee of the ILWU-PMA Welfare Plan reports a per person monthly cost of \$2,852.06 (implying an annualized cost of \$34,225) for all plan participants (excluding Medicare-Eligible retirees) during the plan year dated 7/1/2020-6/30/2021. Projected monthly per participant costs for plan year 7/1/2022-6/30/2023 are \$3,120.92.

Table 5.B.2.e - Employer's Cost of Health Care\* Benefits in 2020

	Estimated Hourly Cost in Dollars	Hourly Cost as Percentage of Hourly Wage
Class A Longshoremen**	\$15.75	28.84%
Class B Longshoremen**	\$19.65	35.97%
Marine Clerks**	\$12.72	22.41%
Foremen**	\$11.99	16.50%
All ILWU Workers**	\$15.63	28.94%
Union	\$6.99	23.11%
Non-Union	\$2.46	9.81%
Total Private Sector	\$3.50	12.07%
Management, Professional, and Related	\$4.73	10.66%
Sales and Office	\$3.00	13.26%
Service	\$1.89	12.04%
Natural Resources, Construction, and Maintenance	\$3.25	12.33%
Production, Transportation, and Material Moving	\$3.33	15.59%
Employer has 1-99 Workers	\$1.95	8.78%
Employer has 100 or more Workers	\$3.92	13.21%

Source: For non-ILWU workers, Employer's Costs for Employee Compensation, December 2020

### 5.B.3. Private Retirement Benefit Programs

#### *Incidence*

ILWU retirees receive income from both private (employer programs) and public (principally Social Security) sources. We discuss private programs in this section and public programs in the next section.

Current ILWU retirees receive annual defined benefit pension payments equal to \$2,580 per year of qualifying service up to 37 years. An ILWU retiree with 37 years of service, therefore, receives \$95,460 per year. Surviving spouses of Longshoremen and Marine Clerks who retire on or after July 1, 2008 will receive 75% of the retiree's benefit. A retiree with at least 25 years of service who retires at age 62 or later is also eligible for a "bridge" supplement at an annual rate of \$6,000 until the retiree reaches Social Security Retirement age (age 66 for a current 62-year-old).

In addition to fully funding the pension benefits, PMA members contribute to the 401(k) plan of ILWU employees. Marine Clerks and Longshoremen receive \$1 per hour for the first 2,000 qualifying hours each year; Foremen receive \$5 per hour for the first 2,240 qualifying hours. This plan would be classified as a defined contribution plan as that term is generally used.

The rates of incidence of employer-subsidized retirement benefits among various groups of American workers are displayed in Table 5.B.3.a. It should be noted that the sums of the incidence rates for defined benefit and defined contribution plans are larger than the rates for all types of plans because significant numbers of workers are covered by both types (e.g., a defined benefit pension plan and a 401(k) plan with an employer match). It should also be noted that defined contribution plans are substantially more common than defined benefit plans, except among union workers.

Table 5.B.3.a - 2021 Incidence of Retirement Benefits

Workforce Characteristics	All Types	Defined Benefit	Defined Contribution
Union	93%	64%	61%
Non-Union	66%	11%	66%
Total Private Sector	68%	15%	65%
Management, Professional, and Related	86%	22%	84%
Sales and Office	73%	14%	71%
Service	40%	5%	37%
Natural Resources, Construction, and Maintenance	65%	19%	58%
Production, Transportation, and Material Moving	72%	19%	66%
Lowest 25 percent	44%	4%	42%
Second 25 percent	68%	13%	64%
Third 25 percent	79%	18%	75%
Highest 25 percent	90%	30%	85%
Employer has 1-99 Workers	56%	7%	54%
Employer has 100 or more Workers	85%	27%	79%

Source: National Compensation Survey, March 2021

### Sharing the Cost of Retirement Benefit

ILWU employees make no contribution to their defined benefit plan and are not required to contribute to their defined contribution plan. Very few American workers (3% overall) in defined benefit plans are required to contribute to those plans. Among all workers covered by defined contribution plans, 65% are required to make some contribution. There is little variation in these two percentages across the groups of workers listed in earlier tables.

### Replacement of Pre-Retirement Earnings

A common way to describe pension plans is with the percentage of pre-retirement earnings that is “replaced” by pension benefits. A 2004 article by Patricia Martin published in the *Social Security Bulletin* (hereafter the “Martin Study”) presents estimates of the percentages of selected levels of pre-retirement earnings that are replaced by private defined benefit and defined contribution plans.<sup>59</sup> As displayed in Table 5.B.3.b, Martin estimates that the typical retiree from the private sector with 35 years of service receives defined benefit payments equal to 47.3% of his or her earnings in the last year before retirement. The \$95,460 annual defined benefit payment described above would replace 51.0% of the \$187,085 average earnings of 55-64 year-old Class A Longshore workers who were paid 2000 or more hours in 2020 or 45.9% of the \$208,160 average for 55-64 year-old Marine Clerks. If the \$6,000 “bridge” payment is included, the previous replacement rates increase to 54.2% and 48.7%, respectively.

Table 5.B.3.b - Replacement of Pre-Retirement Earnings

	Average Earner	High Earner	Maximum Earner
Defined Benefit Pension	47.3%	47.3%	47.3%
Social Security	39.9%	32.5%	24.9%
Employer's Share of Defined Contribution	15.3%	14.6%	12.7%

Data in the Martin study also imply that the average earner receives another 15.3% of pre-retirement earnings from the employer-funded portion of defined contribution plans. The analogous percentages for a high earner (defined as 160% of average wages) and the “maximum earner” (defined as maximum earnings that are taxable for Social Security<sup>60</sup>) are 14.6% and 12.7%, respectively. The ILWU-PMA 401k plan has been in place for nearly 2 decades. If the current plan is continued with amounts growing in proportion to wages through its 35<sup>th</sup> year, it would then be able to replace approximately 6.7% of the preretirement earnings of the hypothetical longshore worker described in the previous paragraph and 5.9% of the earnings of the hypothetical Marine Clerk.<sup>61</sup>

<sup>59</sup>Patricia P. Martin, “,” *Social Security Bulletin*, Vol. 65, No.1, May 2004.

<sup>60</sup> The maximum as of 2002, when the study was based, was \$72,600. In 2020 it was \$137,700.

<sup>61</sup> These are rough calculations based on a 5% return on funds until retirement and the purchase of a standard annuity at age 63 with an annuity factor of 11.2.

### *A Measure of Relative Generosity*

One should not read too much into the fact that the replacement rates for ILWU employees are lower than those of comparators because replacement rates are not always good measures of the relative generosity of retirement benefits. That relative generosity depends not just on the replacement rate but also on the level of pre-retirement earning.

We have estimated the average pension benefit of a high school graduate based on Martin's "average earner" who receives 62.6% (47.3% plus 15.3%) of pre-retirement earnings (\$55,193 in 2020) or \$34,551, which is 37.0% of the \$93,240 ILWU benefit. To put it slightly differently, the ILWU is more almost three times as large as the estimated pension of an average high school graduate

Martin's maximum earner (\$137,700 in 2020) receives 60.0% (47.3% plus 12.7%) of pre-retirement earnings (\$137,700 in 2020) or \$82,620, which is 88.6% of the \$93,240 ILWU benefit. To put it slightly differently, the ILWU pension is approximately one-fifth higher than the average benefit of Martin's maximum earner.

### *Employer's Costs*

Two alternative measures of the employers' costs of providing for the defined benefit pensions of active ILWU employees can be estimated from the IRS Form 5500 submitted by the plan for the fiscal year ending June 30, 2021.

One measure is based on the plan's expected increase in liability due to benefits earned during the year by 15,087 active (non-retiree) participants, which was \$401,077,838 or \$26,584 per non-retiree participant. Based on the 32,674,928 hours paid in 2021, the cost was \$12.27 per hour.

Another measure is the employers' total contributions to the plan during the year, which was \$458,786,498. There were a total of 23,773 active and other participants in the plan, which implies a cost of \$19,299 per participant.

In addition to the pension contributions discussed above, PMA employers also contribute \$1 per hour—for up to 2000 hours—to the 401(k) plans of Registered Longshore workers and Marine Clerks. Their average total contribution to private retirement benefits are \$13.27 and \$9.85 per hour, which is 24.3% and 17.4% of their average wages per straight-time hour, respectively (\$54.62 and \$56.75, respectively). The estimates of the percentages of wages of Class A Longshore workers, Marine Clerks and Foremen in Table 5.B.3.c are reduced to reflect the fact that their average annual hours paid are 2,095, 2,696 and 2,968, respectively. (There is no adjustment for Class B Longshore workers because their average annual hours paid at 1,680 are less than 2000.)

Table 5.B.3.c - Employer's Cost of Private Retirement Benefits in 2021

Workforce Characteristics	Hourly Cost in Dollars	Hourly Cost as Percentage of Hourly Wage
Class A Longshoremen	\$13.27	24.3%
Class B Longshoremen	\$13.27	24.3%
Marine Clerks	\$9.85	17.4%
Foremen	\$12.95	17.8%
All ILWU Workers	\$12.65	23.4%
Union	\$4.51	14.9%
Non-Union	\$1.03	4.1%
Total Private Sector	\$1.65	6.5%
Management, Professional, and Related	\$2.55	5.9%
Sales and Office	\$0.96	4.8%
Service	\$0.49	3.6%
Natural Resources, Construction, and Maintenance	\$2.35	9.0%
Production, Transportation, and Material Moving	\$1.35	6.7%
Employer has 1-99 Workers	\$0.76	3.4%
Employer has 100 or more Workers	\$2.04	6.9%

Source: For non-ILWU workers, *Employer's Costs for Employee Compensation, December 2021*

The 401(k) contribution for Foremen is \$5 per hour for up to 2,240 hours, so the total contribution to their private retirement benefits is \$12.95 per hour, which is 17.8% of the their average straight-time wage (\$72.67). The estimate of the percentage of wages of Foremen in Table 5.B.3.c is reduced to reflect the fact that their average annual hours paid is 2,968.

The lower portion of Table 5.B.3.c displays average employers' hourly costs of retirement benefits for various groups of workers in the American economy as published by the U.S. Bureau of Labor Statistics.<sup>62</sup> Those costs are described both in dollars and as percentages of the hourly wage rate.

<sup>62</sup> "Employer Costs for Employee Compensation – December 2021



## 5.B.4. Public Retirement Benefit Programs

### *Incidence*

ILWU workers are covered by Social Security. According to the Social Security Administration, about 93% of American workers in employment or self-employment are covered by Social Security.<sup>63</sup> Uncovered workers are mostly employed by federal, state, or local governments that provide similar benefits.

We have estimated the annual Social Security benefits of two hypothetical ILWU retirees who retired at the end of 2020 at the age of 63 with earnings histories equal to the current age earnings profiles of Class A Longshore workers and Marine Clerks who worked 2000 or more hours. Those average earnings have been adjusted for historical changes in the average hourly earnings of production and nonsupervisory workers over the years 1970-2020. We have used adjusted figures and the Online Calculator provided by the Social Security Administration to estimate the annual Social Security payments for the two hypothetical individuals, which are \$29,052 for both the Class A Longshore worker and Marine Clerk.<sup>64</sup>

### *Replacement of Pre-Retirement Earnings*

As shown in Table 5.B.3.b, data from the Martin Study indicate that Social Security payments replace 39.9%, 32.5%, and 24.9% of the pre-retirement earnings of average earners, high earners, and maximum earners, respectively. The \$29,052 Social Security payment described above would replace 14.9% of the \$195,542 average earnings of 55-64 year-old Class A longshore workers who were paid 2000 or more hours in 2020 and 15.5% of the \$187,523 average for 55-64 year-old Marine Clerks, respectively.

### *Employer's Costs*

Covered employers pay 6.2% of wages up to a statutory limit (\$137,700 in 2020) to fund the Social Security system and 1.45% of all wages to fund Medicare. We have computed the PMA employers' average dollar contributions per hour and displayed them in Table 5.B.4.b. The lower portion of Table 5.B.4.b displays average employer's hourly costs of retirement benefits for various groups of workers in the American economy as published by BLS.<sup>65</sup> Those costs are described both in dollars and as percentages of the hourly wage rate.

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<sup>63</sup> <https://www.ssa.gov/policy/docs/briefing-papers/bp2021-01.html>

<sup>64</sup> The two have the same benefit despite their different earnings histories because both would qualify for the maximum benefit

<sup>65</sup> "Employer Costs for Employee Compensation" – December 2021

Table 5.B.4.b - 2020 Employer's Cost of Social Security and Medicare  
2020

Workforce Characteristics	Hourly Cost in Dollars	Hourly Cost as Percentage of Hourly Wage
Class A Longshoremen	\$4.05	7.41%
Class B Longshoremen	\$4.30	7.87%
Marine Clerks	\$3.62	6.38%
Foremen	\$3.92	5.39%
All ILWU Workers	\$4.21	7.80%
Union	\$3.75	12.40%
Non-Union	\$2.66	10.61%
Total Private Sector	\$2.75	10.79%
Management, Professional, and Related	\$4.03	9.38%
Sales and Office	\$2.05	10.32%
Service	\$1.66	12.12%
Natural Resources, Construction, and Maintenance	\$3.60	13.81%
Production, Transportation, and Material Moving	\$2.67	13.17%
Employer has 1-99 Workers	\$2.46	11.08%
Employer has 100 or more Workers	\$3.11	10.48%

*Source: For non-ILWU workers, Employer's Costs for Employee Compensation, December 2020*

#### 5.B.5. Other Benefits

Active ILWU employees and retirees receive employer-paid life insurance. Active ILWU employees receive short-term disability benefits and, through their pension plan, may take early retirement due to disability. Table 5.B.5.a displays the percentages of various groups of private sector workers who have access to life insurance, short-term disability, and long-term disability benefits. Estimates of the PMA employers' cost for these benefits are not easily available, but we expect them to be rather small based on BLS data for other employers, which shows that the combined cost of life, short-term disability, and long-term disability is \$0.35 per hour for union workers (the category with the highest cost).

Table 5.B.5.a - Private Sector Benefits Other than Health Care Benefits in 2021

Workforce Characteristics	% of Workers with Life Insurance	% of Workers with Short-term Disability	% of Workers with Long-term Disability	% of Workers with Long-Term Care Insurance	% of Workers with Child Care Assistance
Union	81%	67%	40%	19%	15%
Non-Union	54%	40%	34%	14%	10%
Total Private Sector	56%	42%	35%	14%	10%
Management, Professional, and Related	78%	57%	60%	25%	18%
Sales and Office	54%	41%	31%	14%	7%
Service	27%	22%	13%	6%	10%
Natural Resources, Construction, and Maintenance	55%	36%	27%	10%	5%
Production, Transportation, and Material Moving	64%	48%	32%	11%	5%
Lowest 25 percent	25%	19%	9%	5%	5%
Second 25 percent	55%	42%	29%	11%	8%
Third 25 percent	69%	48%	43%	17%	11%
Highest 25 percent	84%	64%	64%	27%	19%

Source: National Compensation Survey, March 2021

### 5.B.6. Employer's Cost of All Benefits

Table 5.B.6.a pulls together data on all employee benefits. The employer's total cost of benefits is significantly larger for all categories of ILWU workers than for any of the comparison categories

Table 5.B.6.a - Employers Cost of All Benefits

Workforce	Holidays	Paid Vacations	Health Care*	Private Retirement	Social Security and Medicare	All	Hourly Cost as Percent of Hourly Wage
Class A Longshore	\$3.17	\$3.29	\$18.41	\$0.00	\$4.05	\$28.93	52.96%
Class B Longshore	\$0.00	\$0.00	\$17.12	\$0.00	\$4.30	\$21.42	39.22%
Clerks	\$2.72	\$3.84	\$14.86	\$0.00	\$3.62	\$25.04	44.13%
Foremen	\$3.39	\$4.88	\$14.02	\$0.00	\$3.92	\$26.20	36.06%
All ILWU Workers	\$3.19	\$3.70	\$18.26	\$0.00	\$4.21	\$29.37	54.39%
Union	\$3.65		\$6.99	\$4.41	\$3.75	\$18.80	69.05%
Non-Union	\$2.66		\$2.46	\$0.98	\$2.66	\$8.76	36.96%
Total Private Sector	\$2.91		\$3.50	\$1.25	\$2.75	\$10.41	43.42%
Management, Professional, and Related	\$4.04		\$4.73	\$2.30	\$4.03	\$15.10	44.54%
Sales and Office	\$2.74		\$3.00	\$2.60	\$2.05	\$10.39	51.37%
Service	\$5.91		\$1.89	\$0.26	\$1.66	\$9.72	62.61%
Natural Resources, Construction, and Maintenance	\$1.84		\$3.25	\$2.12	\$3.60	\$10.81	47.78%
Production, Transportation and Material Moving	\$0.78		\$3.33	\$1.14	\$2.67	\$7.92	42.47%
Employer has 1-99 Workers	\$2.10		\$1.95	\$0.74	\$2.46	\$7.25	
Employer has 100 or more Workers	\$1.88		\$3.92	\$1.90	\$3.11	\$10.81	

Source: Tables 5.B.1.c, 5.B.2.e, 5.B.3.c, and 5.B.4.b

## 5.C. Lifetime Income

We have combined information on the earnings of active ILWU members with estimates of their expected retirement incomes to estimate their lifetime incomes. We have made analogous calculations for the average high school graduate. Based on these calculations we conclude that:

- A 25-year-old Class A Longshoreman can expect \$4.0 million more in wages and pension benefits over his lifetime than the average high school graduate.<sup>65</sup> (Chart 5.C.1)
- A 25-year-old Class A Longshoreman who becomes a Marine Clerk at age 35 can expect \$4.4 million more in wages and pension benefits over his lifetime than the average high school graduate.<sup>66</sup> (Chart 5.C.2)

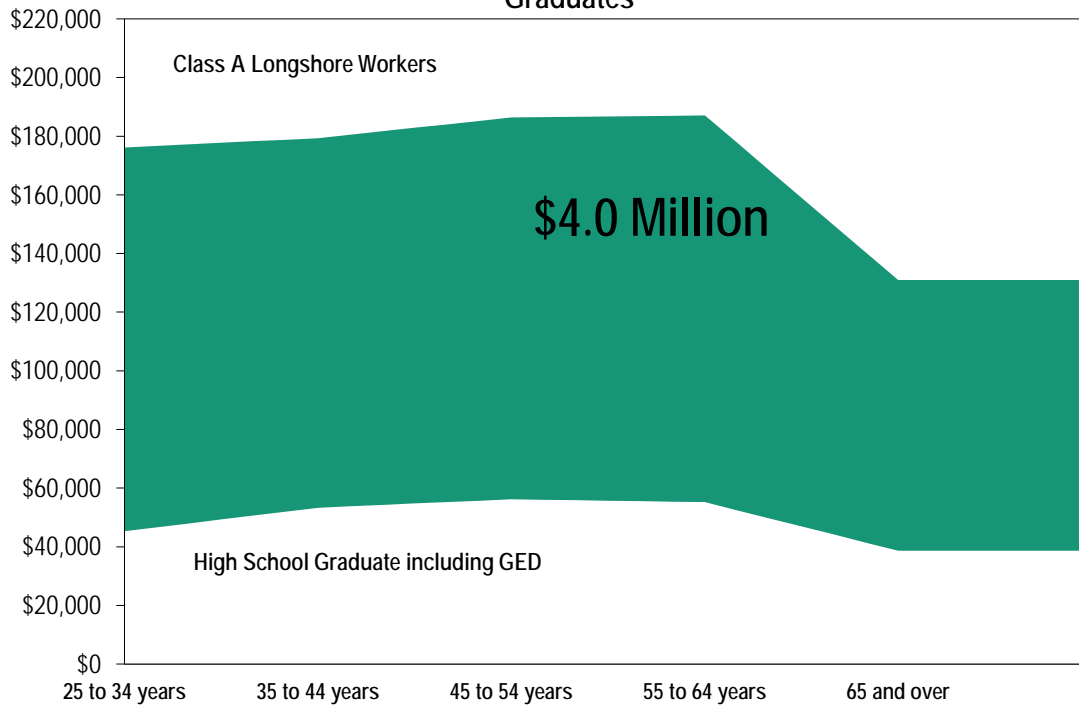
Charts corresponding to each of the two calculations are displayed below. If the value of other fringe benefits were included in these calculations, the lifetime income advantages of Longshoremen and Marine Clerks would be even larger.

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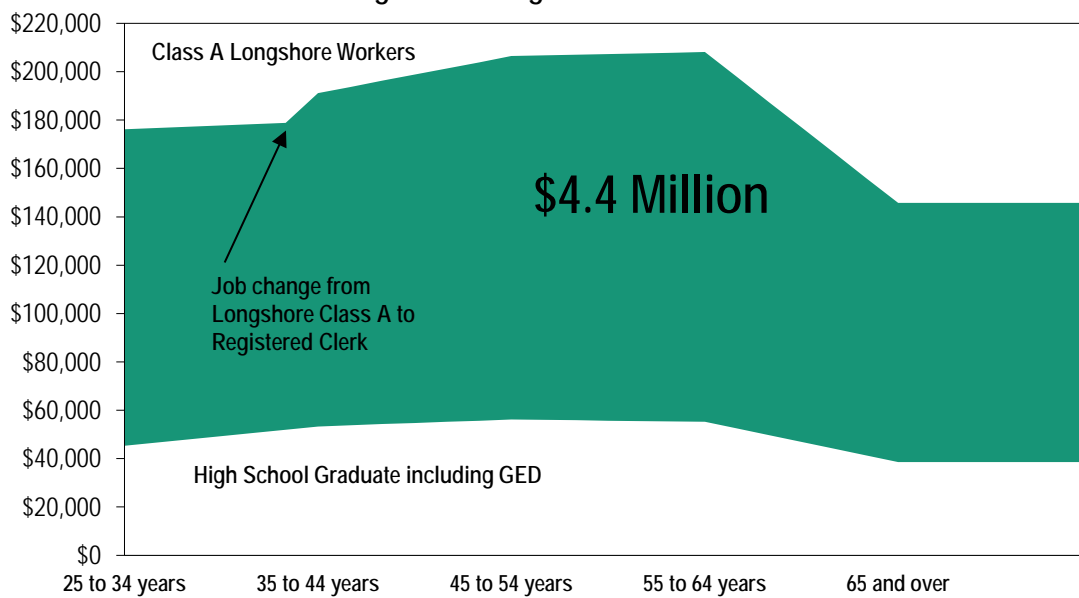
<sup>65</sup>The comparable figure for a non-Hispanic male is \$3.9 million.

<sup>66</sup>The comparable figure for a non-Hispanic male is \$4.3 million.

Chart 5.C.1  
 Lifetime Earnings Differentials- Class A Longshoremen and High School Graduates



Lifetime Earnings Differentials- Class A Longshoremen to Marine Clerk at age 35 and High School Graduates



## APPENDIX

The tables in this Appendix compare the age-earnings profiles of hypothetical Class A Longshoremen and Marine Clerks with profiles based on the average earnings of all workers with various levels of education. There are two hypothetical ILWU workers: one who spends his entire worklife as a Class A Longshoreman and one who is a Class A Longshoreman from age 25 to age 34 and a Marine Clerk thereafter.

Column 2 of Table A.1 shows the age-earnings profiles for the hypothetical worker who spends his entire worklife as a Class A Longshoreman. Column 3 shows the age-earnings profiles for the hypothetical worker who starts as a Class A Longshoreman and becomes a Marine Clerk at age 35. All figures in Tables A.1 through A.6 are based on 2020 data.

Columns 4-9 of Table A.1 show the age-earnings profiles for all workers in each specified education category.

Table A.1 - Earnings of ILWU Workers Compared to All Workers								
by Age and Education								
Age	Class A Longshore	Class A Longshore to Clerk after 35	Non-High School Graduate	HS Grad incl GED	Some College No Degree	Bach. Degree	Master's Degree	Prof. Degree
25-34	\$176,171	\$176,171	\$35,450	\$45,291	\$49,132	\$70,352	\$81,347	\$116,339
35-44	\$179,322	\$191,150	\$40,875	\$53,308	\$62,978	\$95,037	\$108,210	\$174,665
45-54	\$186,392	\$206,431	\$43,140	\$56,188	\$62,328	\$102,323	\$119,697	\$179,136
55-64	\$187,085	\$208,160	\$44,993	\$55,193	\$67,624	\$98,819	\$120,101	\$195,317

*Source: Pacific Maritime Association and U.S. Bureau of the Census*

Column 2 of Table A.2 shows the annual earnings advantages that the career Class A Longshoreman experiences over the average non-high-school-graduate. For example, the average annual advantage from age 25 to age 34 is \$140,721 which is \$176,171 (from column 2 of Table A.1) minus \$35,450 (from column 4 of Table A.1).

Table A.2 - Earnings Advantages of Class A Longshoremen Compared to All Workers						
by Age and Education						
Age	Non-High School Graduate	HS Grad incl GED	Some College No Degree	Bach. Degree	Master's Degree	Prof. Degree
25-34	\$140,721	\$130,880	\$127,039	\$105,819	\$94,824	\$59,832
35-44	\$138,447	\$126,014	\$116,344	\$84,285	\$71,112	\$4,657
45-54	\$143,252	\$130,204	\$124,064	\$84,069	\$66,695	\$7,256
55-62	\$142,092	\$131,892	\$119,461	\$88,266	\$66,984	(\$8,232)

Source: Pacific Maritime Association and U.S. Bureau of the Census

Similarly, Table A.3 shows the annual earnings advantages experienced by a worker who is a Class A Longshoreman from age 25 to age 34 and a Marine Clerk thereafter.

Table A.3 - Earnings Advantages of Promoted Workers (Longshoremen to Clerk at Age 35)						
Compared to All Workers						
by Age and Education						
Age	Non-High School Graduate	HS Grad incl GED	Some College No Degree	Bach. Degree	Master's Degree	Prof. Degree
25-34	\$140,721	\$130,880	\$127,039	\$105,819	\$94,824	\$59,832
35-44	\$150,275	\$137,842	\$128,172	\$96,113	\$82,940	\$16,485
45-54	\$163,291	\$150,243	\$144,103	\$104,108	\$86,734	\$27,295
55-62	\$163,167	\$152,967	\$140,536	\$109,341	\$88,059	\$12,843

Source: Pacific Maritime Association and U.S. Bureau of the Census



The calculations underlying Tables A.4, A.5, and A.6 are almost identical to those underlying Tables A.1, A.2, and A.3. The only difference is that the second set of tables includes only non-Hispanic, white male workers in the comparison groups. Tables A.4, A.5, and A.6 provide conservative estimates of the earnings advantages of ILWU workers because non-Hispanic, white male workers have the highest average earnings in an age-education group.

Table A.4 - Earnings of ILWU Workers Compared to Non-Hispanic White Male Workers								
by Age and Education								
Age	Class A Longshore	Class A Longshore to Clerk after 35	Non-High School Graduate	HS Grad incl GED	Some College No Degree	Bach. Degree	Master's Degree	Prof. Degree
25-34	\$176,171	\$176,171	\$39,980	\$47,016	\$55,247	\$79,788	\$102,489	\$124,658
35-44	\$179,322	\$191,150	\$48,316	\$60,514	\$71,628	\$105,401	\$132,742	\$200,273
45-54	\$186,392	\$206,431	\$52,257	\$63,497	\$83,497	\$118,880	\$143,827	\$232,091
55-64	\$187,085	\$208,160	\$50,229	\$65,547	\$81,207	\$126,677	\$141,641	\$240,663

Source: Pacific Maritime Association and U.S. Bureau of the Census

Table A.5 - Earnings Advantages of Class A Longshoremen						
Compared to Non-Hispanic White Male Workers						
by Age and Education						
Age	Non-High School Graduate	HS Grad incl GED	Some College No Degree	Bach. Degree	Master's Degree	Prof. Degree
25-34	\$136,191	\$129,155	\$120,924	\$96,383	\$73,682	\$51,513
35-44	\$131,006	\$118,808	\$107,694	\$73,921	\$46,580	(\$20,951)
45-54	\$134,135	\$122,895	\$102,895	\$67,512	\$42,565	(\$45,699)
55-62	\$136,856	\$121,538	\$105,878	\$60,408	\$45,444	(\$53,578)

Source: Pacific Maritime Association and U.S. Bureau of the Census

Table A.6 - Earnings Advantages of Promoted Workers (Longshoremen to Clerk at Age 35)						
Compared to Non-Hispanic White Male Workers						
by Age and Education						
Age	Non-High School Graduate	HS Grad incl GED	Some College No Degree	Bach. Degree	Master's Degree	Prof. Degree
25-34	\$136,191	\$129,155	\$120,924	\$96,383	\$73,682	\$51,513
35-44	\$142,834	\$130,636	\$119,522	\$85,749	\$58,408	(\$9,123)
45-54	\$154,174	\$142,934	\$122,934	\$87,551	\$62,604	(\$25,660)
55-62	\$157,931	\$142,613	\$126,953	\$81,483	\$66,519	(\$32,503)

Source: Pacific Maritime Association and U.S. Bureau of the Census