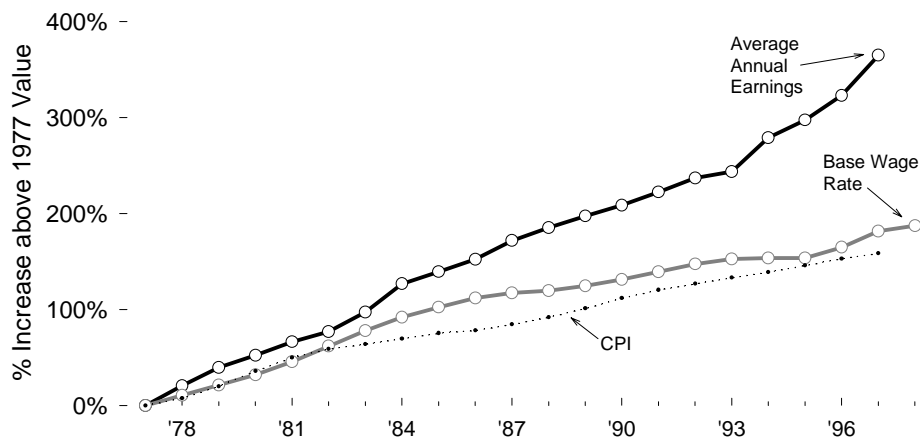


Base Wage Rates Improved by 182% Over 20 Years— Average Annual Earnings Grow 365% in Same Period

Increases in Longshore & Clerk Base Wage Rate and Annual Average Earnings vs CPI Increases By Year: 1977 - 1997



The average annual earnings paid to all Class "A" longshore and clerk registrants in 1977 was \$17,650. By 1997, the equivalent average for all Class "A" employees was \$82,049, an increase of \$64,399 or 364.9%.

In 1977, the base wage rate for longshore and clerk labor, adjusted from "6 and 2" to "8 straight" (see *Base Wage Rate*, page 2), was \$8.94 per hour. By 1997, the base wage rate had grown to \$25.18 per hour, an increase of \$16.24 per hour or 181.7%. The base wage rates cited are averages. When a mid-year base wage rate change occurs, the rate is shown as an average of the two rates.

In the same two decades, the Consumer Price Index (CPI-W, All City Average) rose

Continued on Page 2

	Longshore & Clerk Base Wage Rate					Average Annual Earnings			Consumer Price Index*		
	Base Wage First Half	Base Wage Second Half	Annual Average (adj for 1987)	Change from Prev Yr	Change from 1977	Longshore and Clerks	Change from Prev Yr	Change from 1977	CPI-W (All City Average)	Change from Prev Yr	Change from 1977
1977	\$ 7.52	\$ 8.37	\$ 8.94			\$17,650			60.9		
1978	8.37	9.22	9.89	10.7%	10.7%	21,286	20.6%	20.6%	65.6	7.7%	7.7%
1979	9.22	10.07	10.85	9.7	21.4	24,654	15.8	39.7	73.1	11.4	20.0
1980	10.07	10.92	11.81	8.8	32.1	26,893	9.1	52.4	82.9	13.4	36.1
1981	10.92	12.22	13.02	10.2	45.6	29,403	9.3	66.6	91.4	10.3	50.1
1982	12.22	13.52	14.48	11.2	62.0	31,252	6.3	77.1	96.9	6.0	59.1
1983	13.52	14.77	15.91	9.9	78.0	34,828	11.4	97.3	99.8	3.0	63.9
1984	14.77	15.77	17.18	8.0	92.2	40,042	15.0	126.9	103.3	3.5	69.6
1985	15.77	16.42	18.11	5.4	102.6	42,267	5.6	139.5	106.9	3.5	75.5
1986	16.42	17.27	18.95	4.7	112.0	44,533	5.4	152.3	108.6	1.6	78.3
1987	17.27	19.43	19.43	2.5	117.4	47,999	7.8	171.9	112.5	3.6	84.7
1988	19.43	19.83	19.63	1.0	119.6	50,345	4.9	185.2	117.0	4.0	92.1
1989	19.83	20.33	20.08	2.3	124.7	52,525	4.3	197.6	122.6	4.8	101.3
1990	20.33	21.00	20.67	2.9	131.2	54,490	3.7	208.7	129.0	5.2	111.8
1991	21.00	21.78	21.39	3.5	139.3	56,938	4.5	222.6	134.3	4.1	120.5
1992	21.78	22.48	22.13	3.5	147.6	59,502	4.5	237.1	138.2	2.9	126.9
1993	22.48	22.68	22.58	2.0	152.6	60,674	2.0	243.8	142.1	2.8	133.3
1994	22.68	22.68	22.68	0.4	153.7	66,904	10.3	279.1	145.6	2.5	139.1
1995	22.68	22.68	22.68	0.0	153.7	70,161	4.9	297.5	149.8	2.9	146.0
1996	22.68	24.68	23.68	4.4	164.9	74,689	6.5	323.2	154.1	2.9	153.0
1997	24.68	25.68	25.18	6.3	181.7	82,049	9.9	364.9	157.6	2.3	158.8
1998	25.68	25.68	25.68	2.0	187.3						

*The Consumer Price Index (CPI) is a measure of the average change in prices paid by urban consumers for a fixed market basket of goods and services. The current standard reference base period is 1982-84=100. That is, all price changes are measured from a base (100) that represents the average index level of the 36-month period encompassing 1982, 1983, and 1984. The index values shown here are from the Urban Wage Earners and Clerical Workers series, All City Average.

Earnings

(continued from Page 1)

from 60.9 to 157.6, a 158.8% rise.

The table and the graph on page 1 show these data on an annual basis. For more detailed earnings data, see the *1997 PMA Annual Report*.

Base Wage Rate

The longshore and clerk base wage rate was \$7.52 per hour in the first half of 1977. The rate increased throughout the next twenty years staying ahead of the CPI. By the second half of 1997 the rate had increased to \$25.68. The base wage rate is paid for straight time on the first shift for unskilled longshore and clerk labor. All other Pacific Coast Longshore and Clerks' Agreement wage rates, such as shift and overtime rates, are derived from the base rate.

In 1987, a provision was negotiated changing the longshore day shift from the "6 and 2" pattern in effect since 1934, i.e., six hours of straight time and two hours of overtime, to an eight-hour straight time shift with a corresponding conversion to the wage rate. To allow comparison of base rates before and after this change, the average rates for 1977 through the first half of 1987 have been multiplied by 9/8 to convert them to the "8 straight" rate. This is because paying "6 and 2" is equivalent to paying 9 hours at the straight time rate.

Annual Earnings

The earnings data used in this study include all wages for hours paid, travel time, taxable meals and fares, and holiday and vacation payments. These earnings do not include Pay Guarantee Plan payments,

mileage, or nontaxable meals and fares. Only Class "A" registrants who received pay for 1 or more hours of work during the payroll year are included.

Registrants who have achieved Class "A" status constitute more than 90% of the registered work force, and Class "B" registrants usually are elevated to Class "A" status within five years of registration.

This study includes only the Class "A" registrants because they are the core of the full time longshore and clerk work force and their work and payment patterns remain relatively consistent over time. The averages described included 9,162 employees in 1977 and 6,729 in 1997.

By comparison, the Class "B" registrants, followed by individuals employed on a casual basis, are dispatched to jobs each day following the Class "A" registrants and consequently have either limited or have no choice of jobs to which they are dispatched.

Average annual earnings are influenced by multiple factors. Among these are the base wage rate, the number of hours paid at skilled rates and at shift and overtime rates, the amount of holiday and vacation payments, and the annual number of hours paid.

Annual Hourly Rate

Most of the hours paid are paid at skilled rates, at overtime rates, at second or third shift rates, or some combination of these rates. Thus, the average hourly rate paid for longshore and clerk work is higher than the base rate, and over the past twenty years, the

average hourly rate has increased faster than the base rate.

The data shown in the table below (*Avg Hrly Rate Paid*) also includes payments made for taxable meals and fares, vacation pay, and holiday pay which further increases earnings for the registered work force.

Annual Hours Paid

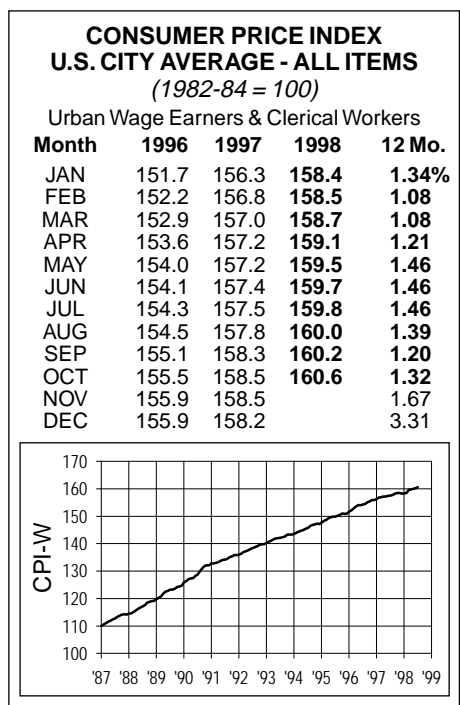
Although the average rate paid per hour explains much of the increase seen in average annual earnings, another important factor is the average number of hours paid to the Class "A" registrants each year.

This has increased from 1,509 hours per Class "A" registrant in 1977 to 2,096 in 1997. Part of this 38.9% increase is explained by the increase in hours paid. Fewer than one-half (47.1%) of the Class "A" registrants were paid 1,600 or more hours in 1977. By 1997, more than one-half (59.5%) were paid 2,000 or more hours. The increase in hours paid may be due, in part, to the decrease in the size of the work force over the corresponding period.

Negotiated Rate vs. Earnings

This study shows how the base wage rate negotiated at each set of contract negotiations influences the earnings of the bulk of the work force, but it does not solely determine these earnings.

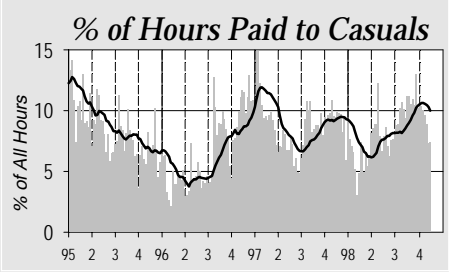
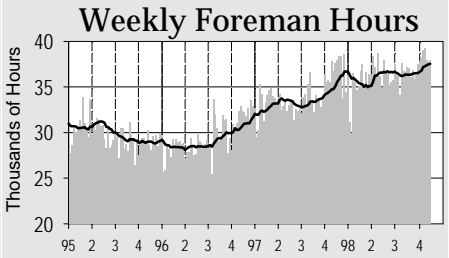
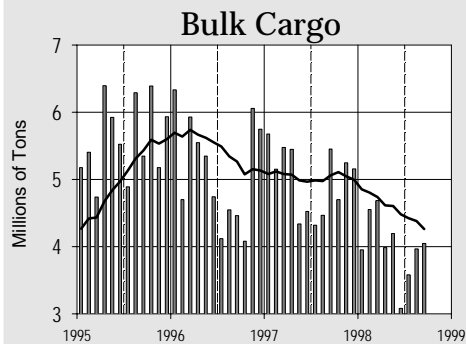
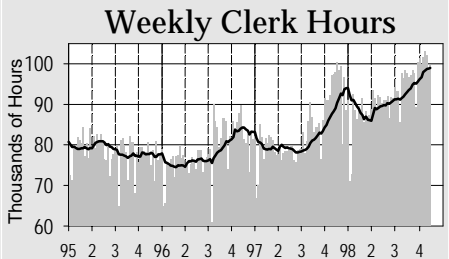
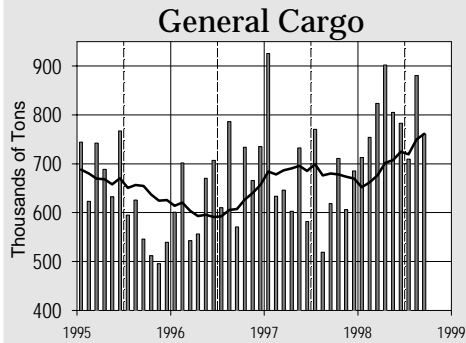
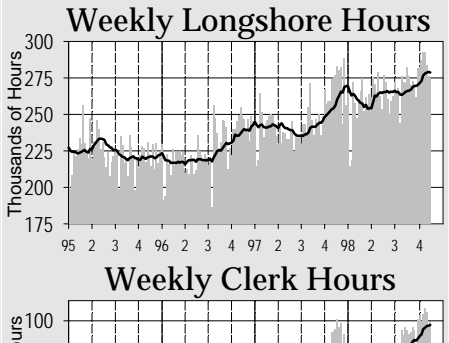
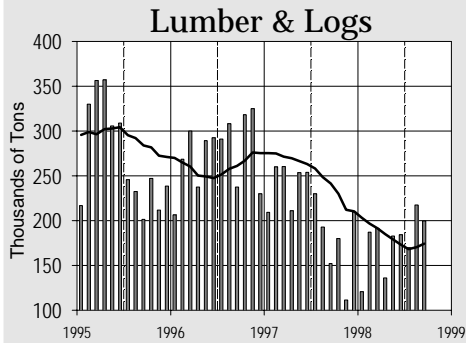
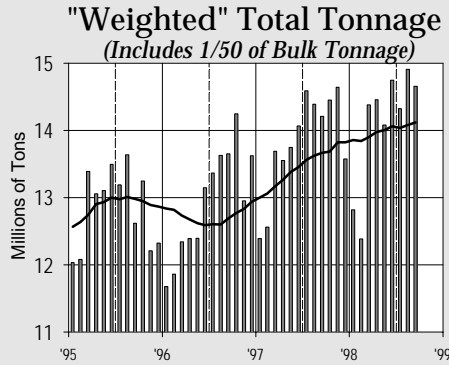
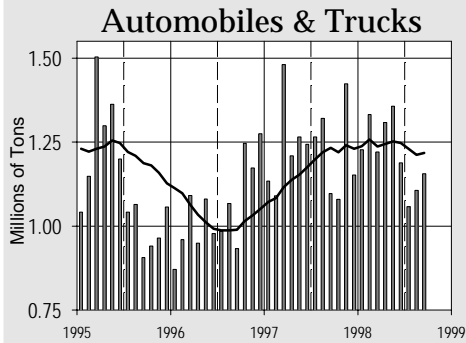
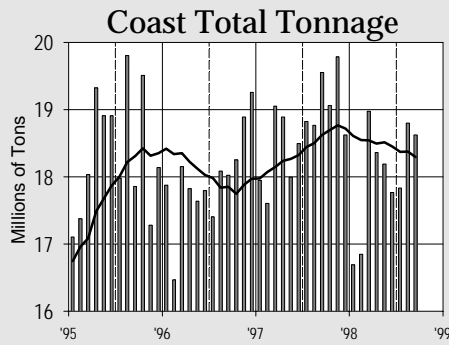
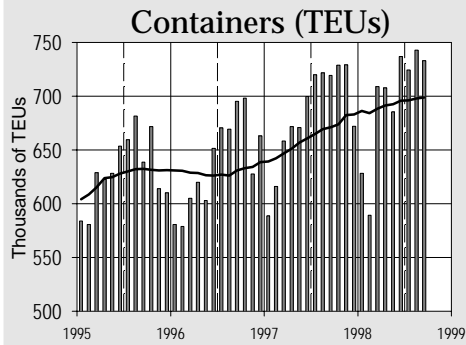
Factors such as the portion of hours paid at skilled rates and overtime and the number of hours paid per employee play a major role in the average amount of earnings for each longshore and clerk registrant.



Class "A" Longshore and Clerks

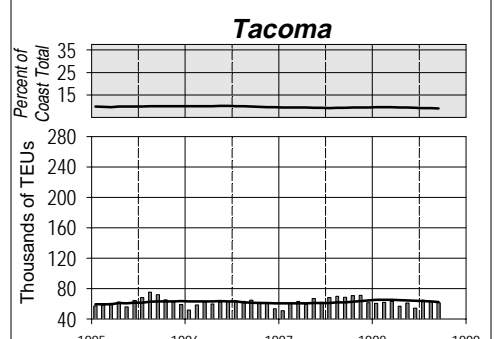
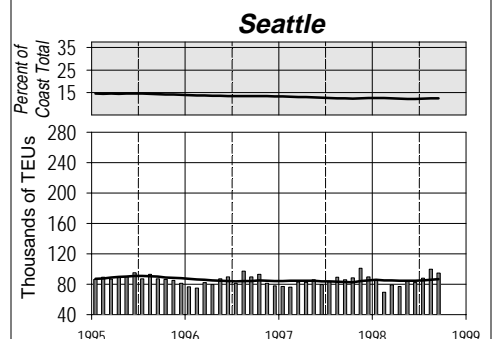
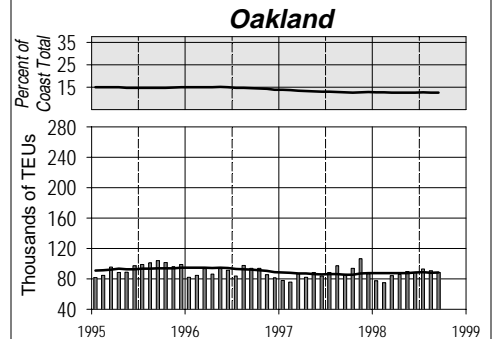
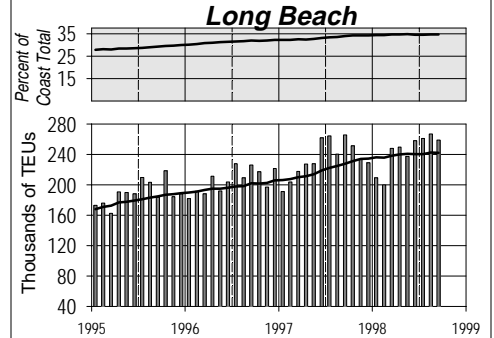
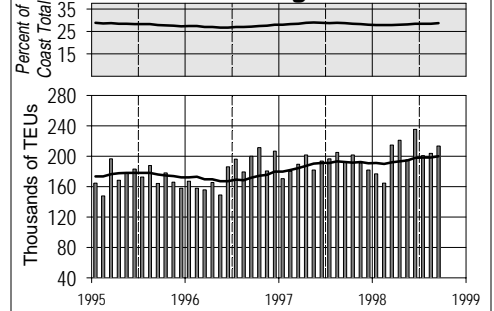
	Base Wage Rate	Change from 1977	Avg Hrly Rate Paid	Change from 1977	Avg Annl Hours	Change from 1977
1977	\$ 8.94		\$11.56		1,509	
1978	9.89	10.7%	12.91	11.7%	1,621	7.4%
1979	10.85	21.4	14.62	26.5	1,679	11.3
1980	11.81	32.1	15.85	37.1	1,677	11.1
1981	13.02	45.6	17.33	49.9	1,649	9.3
1982	14.48	62.0	19.46	68.4	1,575	4.4
1983	15.91	78.0	21.91	89.5	1,590	5.4
1984	17.18	92.2	23.28	101.4	1,705	13.0
1985	18.11	102.6	24.66	113.4	1,700	12.7
1986	18.95	112.0	26.49	129.2	1,690	12.0
1987	19.43	117.4	26.53	129.5	1,758	16.5
1988	19.63	119.6	26.98	133.4	1,795	18.9
1989	20.08	124.7	27.76	140.1	1,817	20.4
1990	20.67	131.2	28.96	150.5	1,825	20.9
1991	21.39	139.3	30.28	162.0	1,835	21.6
1992	22.13	147.6	31.46	172.2	1,853	22.8
1993	22.58	152.6	32.51	181.2	1,831	21.3
1994	22.68	153.7	32.64	182.4	1,987	31.7
1995	22.68	153.7	32.70	182.9	2,054	36.1
1996	23.68	164.9	35.02	203.0	2,045	35.5
1997	25.18	181.7	37.00	220.1	2,096	38.9
1998	25.68	187.3				

Monthly Tonnage by Reporting Category and Weekly Hours by Occupation Code Type



Bars represent monthly tonnage or weekly hours; solid lines represent 12-month or 13-week running averages.

Major Container Ports: Monthly TEUs Reported & Percent of Coast Total TEUs



Shaded graphs show 12-month moving averages of TEUs reported in the port as a % of the coast total. Vertical bars represent TEUs reported in the port each month; lines are 12-month moving averages.

