

Longshore and Clerk Basic Benefit Costs Approach \$40,000 per Year per Active Registrant in 2000/01

Benefits costs for the longshore and clerk portion of the work force totaled \$383,263,087 for the fiscal year 2000/01. This includes the costs of longshore and clerk pension, welfare, vacation, paid holiday, pay guarantee (PGP) and the employers' contributions to the 401(k) accounts of longshore and clerk registrants. (The costs do not include such benefits as 401(k) plan administration, training, dispatch hall contributions, nor do they include the costs for walking boss and watchman benefits.)

Dividing this cost by the total active longshore and clerk registration at the end of 2000, the midpoint of the fiscal year, produces an average cost of \$39,844 per active registrant.

Costs versus Registration

Figure 1 shows the total employer costs for selected longshore and clerks' benefits by fiscal year since 1980/81. Through 1996/97, the costs have followed a straight-line trend very closely, but since then they have escalated at a much more rapid rate.

Also shown in Figure 1, as shaded vertical bars, is the total longshore and clerk registration at the end of the calendar year, which is the midpoint of each fiscal year. Attrition and minimal additions to the registered work force slowly reduced registration between 1980 and 1994 from 9,685 to 7,296 during which time total benefits costs rose continuously.

Figure 2 shows the changes in both longshore and clerk registration levels by year since 1980. (Note that the scale for clerk registration is on the right side of the chart.) The pattern for longshore registrants closely matches the combined registration shown in Figure 1. The number of clerk registrants, however, is quite different. Clerk registration grew throughout the early 1980s, then decreased in the late 1980s only to begin growing at an unprecedented rate since 1994 to the level of 25 years ago.

It is important to recognize that the costs of these specific longshore and clerk benefits increased at nearly \$10 million per year despite the ongoing reduction in the number of active registrants. The growth in costs was primarily the result of increased bene-

Figure 1. Annual Longshore & Clerks' Benefits Costs Pension, Welfare, Vacation, Paid Holiday, and PGP (Costs based on benefits plus expenses less employee contributions)

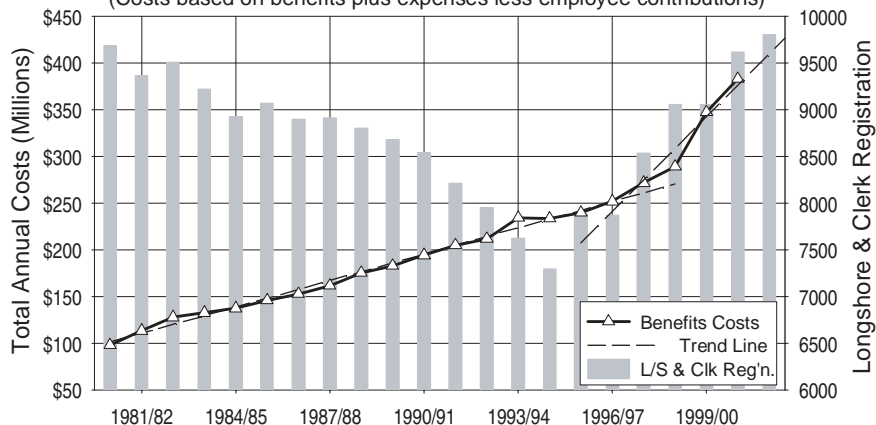


Figure 2. Longshore and Clerk Registration at End of Calendar Year

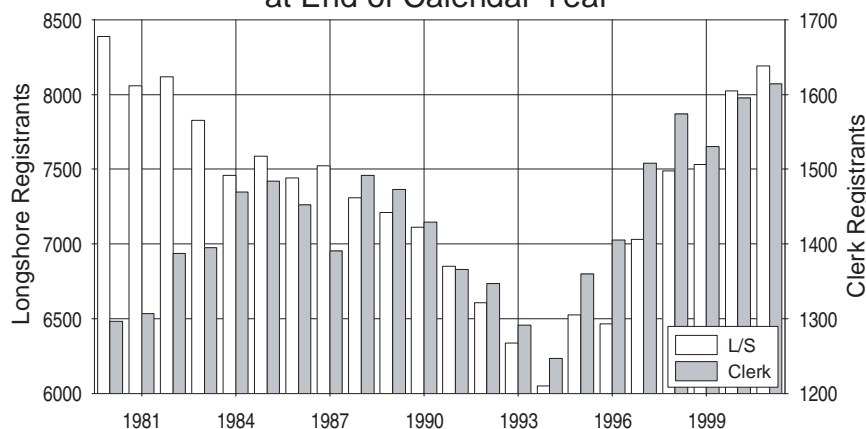
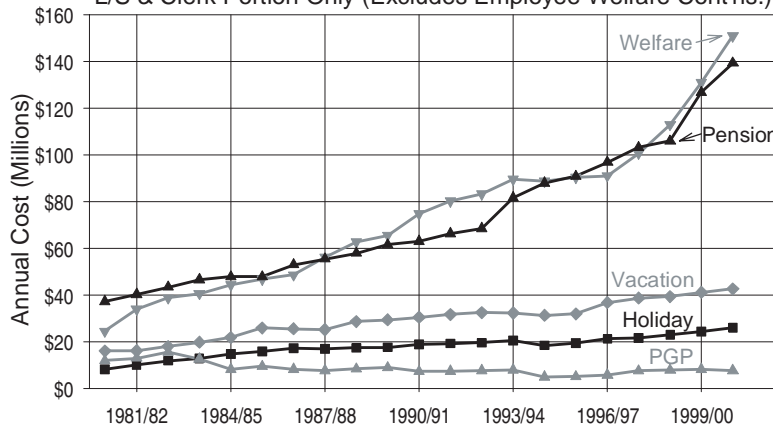


Figure 3. Annual Benefits Costs by Plan L/S & Clerk Portion Only (Excludes Employee Welfare Cont'n.s.)



fits bargained in each new contract and the large increases in medical care expenses.

Costs of Each Benefit

Figure 3 shows the longshore and clerk portion of the costs for each of the selected benefits. (The employers' contributions to 401(k) plans were instituted in 1999, and are not shown in this chart.) The costs shown for pension and welfare have been derived from the total plan benefits costs on a per capita basis by year (less employee contributions to welfare: in 2001, 0.7% of earnings, or \$52.50 per month for a longshore or clerk registrant making \$90,000 per year). Welfare costs include retirees' welfare benefits costs. Pension costs since 1999/00 include the Supplemental Welfare Benefit negotiated in 1999.

Longshore and clerk vacation and paid holiday costs for early periods in this study have been determined on a percent of benefit cost basis. These adjustments are required because foremen costs, and in most years, ILWU watchmen welfare benefits costs are included in the total plan costs data.

Welfare and pension make up most of these costs. Pension was the most expensive benefit until 1987/88 when welfare began to outpace pension. The only benefit which has reduced in cost over the period is pay guarantee. Both vacations and paid holidays have grown from their 1980/81 levels.

Pension costs have increased at an accelerated rate beginning in 1993/94 when the pension benefits for active and retired employees were increased by an unusually large amount. Pension benefits costs (including the Supplemental Welfare benefits) have further increased their rate of climb since 1999.

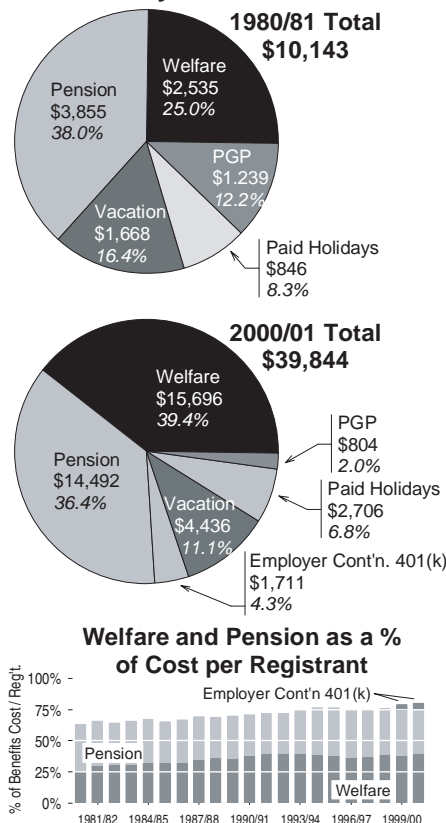
Welfare costs remained essentially flat from 1993/94 through 1996/97, but welfare costs are again climbing, at a much higher rate than that experienced prior to 1993/94.

Cost per Active Registrant

Figure 4 shows the relative proportion each benefit plan makes to this group of longshore and clerk benefits. The top pie chart shows the benefits package costs in 1980/81. Welfare, at \$2,535 per registrant, represented 25.0% of the costs, and pension (\$3,855) made up 38.0%, totaling 63%. Paid holiday and PGP costs made up 16.4% and 12.2%, respectively.

The lower pie chart shows that in fiscal year 2000/01, the proportion of costs going into welfare has grown to 39.4%, or \$15,696, and pension and employers' contributions to 401(k) accounts represents 40.7% of the total, or \$6,203. Together, pension and welfare represent more than 80% of the benefits discussed.

Figure 4. Annual Cost per Reg't. by Plan



Not only has the annual average cost of the group of benefits gone from \$10,143 per registrant to \$39,844, a 292.8% increase, but welfare cost alone has grown by 519.2%. Retirement income benefits costs (today including pension, supplemental welfare, and employer contributions to 401(k) accounts) have grown by 307.2% in the 20 year period studied.

The stacked bars show the proportion of the selected benefits that are welfare and pension costs. These two benefits have together accounted for about 75% of the total since 1993/94.

Projected Costs by Plan

Figure 5 shows straight-line cost projections for each plan based on recent years' experience. The years chosen for the pension plan projection are the three years since 1998/99. The welfare projection line is based on the five-year period since 1996/97. The projections for vacation, paid holiday, and PGP are based on the most recent five year period.

These projections imply that by the year 2004/05, longshore and clerk pension and welfare costs will each exceed \$207 million; and a total of \$89 million for the other benefits shown. The sum of these five projections is about \$504,100,000.

If longshore and clerk registration were to remain at its current level (9,821 on Jan-

uary 24, 2002), and the employers' 401(k) contributions were not increased, the projections predict annual average retirement income benefits costs of about \$22,858. Similarly, welfare costs would grow to \$21,112, and an additional \$9,069 for the other three benefits.

Where Do the Trends Lead?

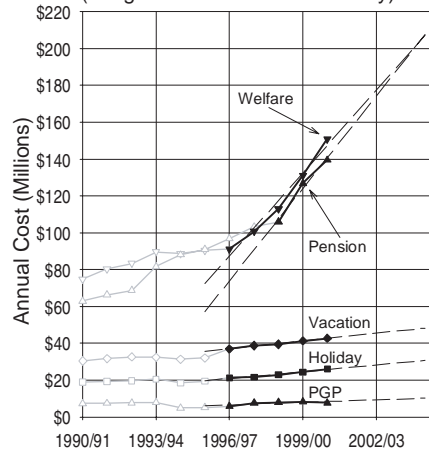
Welfare costs for the current schedule of benefits have been projected by plan consultants to increase by about 30% in the next three years, assuming a constant registered work force. This increase in costs is usually referred to as "maintenance of benefits." The increase is in fact higher than the projections shown in Figure 5.

Also, the large numbers of new registrants added to the active work forces in the past several years will drive benefits costs up at an accelerated rate: they are, on the average, younger than the existing registered work forces; they will receive increasingly larger vacation payments; they and their spouses and dependents will utilize the welfare benefits more as they age; and they will have much larger pension benefits when they retire.

Projected pension benefits costs made in 1999 when these benefits were bargained were made did not anticipate the subsequent increase in registration. These additions to the work force will significantly enlarge the future pension costs above the earlier projections.

Therefore, the average cost of benefits per active registrant will increase in the future. Based on the projections made for each plan, which assumed no additional improvements in the benefits schedules, costs for these selected benefits can be expected to exceed \$53,000 per active longshore and clerk registrant by 2004/05. Given the probable increases in pension and welfare describe above, that estimate may well be conservative.

Fig. 5. Annual Benefits Costs by Plan (Longshore & Clerk Portion Only)



A Guide to Eligibility Requirements for Benefits Plans: *Pension, Welfare, Vacation, Holidays, 410(k), & Pay Guarantee*

The information in the following four pages is an informal summary of the eligibility requirements for several benefits available to registered ILWU longshore employees. It is not intended to be all inclusive.

A comprehensive description of eligibility requirements for each of these benefits can be found in the contract documents and the Summary Plan Descriptions for the ILWU-PMA Pension and the ILWU-PMA Welfare Plans.

The illustration in the box on page 4 is a graphical representation of the hours and credits, called *qualifying hours*, that may qualify a registrant for vacation and holiday pay and for benefits under the ILWU-PMA Welfare Plan, the ILWU-PMA Pension Plans, and the Pay Guarantee Plans. Each circle represents those hours or credits applicable to qualification for each of the benefit plans. Grayed circles represent qualifying hours or credits that carry special provisions specific to the circumstances of the individual involved. Descriptions of these provisions are shown in the annotations below the illustration.

For example, the hours that count to establish eligibility for the ILWU-PMA Welfare Plan are a combination of hours paid, travel time hours, equivalenced PGP hours and credits for disability, leaves of absence and military service. "Equivalenced" PGP hours equal the total PGP benefit paid to a registrant divided by the appropriate straight time base wage rate.

Equivalenced PGP Hours are not considered qualifying hours for a basic one- or two-week vacation. However, they are credited when required to establish a "year of service" in determining additional weeks of vacation. The description of "Year of Service" for Vacation is explained more fully on page 3.

Because Paid Holiday eligibility is based on an individual's eligibility for a one-week vacation, both Holiday and Vacation benefits require the same hours and credits for qualification.

Except for credit for leaves of absence, all types of hours and credits count toward eligibility in the ILWU-PMA Pension Plan.

Only hours paid and credit for jury duty count towards inclusion on the PGP eligibility list.

ILWU-PMA Pension Plan

The table on the right describes the requirements for Normal Retirement, Early Retirement, and Disability Retirement.

A minimum of 800 qualifying hours is required to earn a qualifying Year of Service for vesting and eligibility. A participant is vested after earning five qualifying Years of Service or at Normal Retirement Date, if earlier. Once vested, a participant's earned qualifying Years of Service remain credited for life.

Effective with the 1994 payroll year, a full Year of Service for benefit accrual is established when a registered longshoreman is paid or is credited with 1,300 qualifying hours. A participant who is credited with fewer than 1,300 qualifying hours but at least 800 qualifying hours in any payroll year will earn a partial Year of Service for benefit accrual. Each Year of Service for benefit accrual credited prior to 1994 is a full Year of Service.

Once an employee becomes registered, the Years of Service established prior to registration (working as a "casual") may be credited in accordance with Plan rules.

ILWU-PMA Welfare Plan

Only persons who have industry registration may become eligible for Welfare Plan benefits. An annual review is conducted by the Trustees prior to July 1. Each active registrant's record of covered employment for the preceding Payroll Year is used to determine whether eligibility has been established for the succeeding 12 months. (July through June).

A registrant will be eligible effective July 1 for 12 months of welfare coverage if a minimum of 800 qualifying hours were credited in the preceding payroll year, or if a minimum of 400 qualifying hours were credited in the last half of the preceding payroll year.

A mid-year review is also conducted by the trustees prior to January 1 to determine eligibility for those active registrants who do not hold 12-month eligibility from the previous July 1. An active registrant may receive eligibility for January through June if sufficient hours of covered employment have been credited in the first half of the preceding payroll year. At least 400 qualifying hours must have been worked or credited in the first half of the preceding payroll year.

Provisions exist in the Plan for a lower number of qualifying hours in Minor Ports. However, no port has qualified for Minor Port status for Welfare eligibility purposes since the disestablishment of of Local 49 in Crescent City.

Most Welfare Plan participants who become pensioners have Welfare Plan eligibility beginning on the day they become pensioners. All disability pensioners have Welfare Plan eligibility. All participants who are registered when they retire on a normal pension with a separation date on or after July 1, 1984 have eligibility except for the following:

- Pensioners whose separation date was on or after July 1, 1988 and who accrued fewer than 5 years of credited pension service, and

Requirements for Normal Retirement

- "Normal Retirement Date" is age 65 or the fifth anniversary of the date of participation, whichever is later.

Requirements for Early Retirement

- Participant must have at least 13 qualifying Years of Service and must have worked in the Industry in each of the five payroll years preceding or ending with the year of retirement.
- Participant with at least 13 qualifying Years of Service who wishes to retire between the ages of 55 and 62 may do so with reduced retirement benefit. Unreduced benefit is paid if the participant retires at ages 62 to 65.

Requirements for Disability Retirement

- A participant with at least 13 qualifying Years of Service is eligible. There is no minimum age requirement.
- The participant must have worked in the Industry in each of the five payroll years preceding or ending with the year of retirement.
- The participant must provide evidence, satisfactory to the Trustees and a physician chosen by them, that he or she is totally and permanently disabled from performing regular longshore work.

- Deferred pensioners whose separation date was before age 55 or whose normal pension benefit has not commenced.

If a registrant fails to establish eligibility because of a qualified disability, he or she may be credited with additional hours during the term of his or her certified disability. Provisions are different for those who have 25% or more of the required hours from those with less than 25% of the requirement.

25% or more of the hours required: Hours credited will be the number of weeks of credited disability multiplied by the average hours per week credited to the employee in the review period (excluding the disability period).

Less than 25% of hours required: Registrant may be credited with sufficient hours to establish eligibility. A maximum of 5 consecutive years credit is allowed if the disability for which the employee receives industrial compensation is job-related. Otherwise, a maximum of 3 consecutive years may be credited.

For an authorized Leave of Absence of less than 90 days, credit toward the hours requirement may be given by multiplying the number of weeks absent by the average number of hours paid to the registrant in the review period (excluding the leave of absence).

Credits for military leaves of absence are given using the same formula used for authorized leaves of absence of 90 days or less.

The Plan runs concurrently with the Pacific Coast Longshore and Clerk's Agreement. Unless provided to the contrary, extension or renewal of the Pacific Coast Longshore and Clerks' Agreement extends the Plan and continues the Plan in effect for the period of the extension or renewal. If the Plan were to be terminated, the remaining assets of the Plan would be used for payment of benefits until the assets were exhausted.

Vacation Benefits

A basic one-week or two-week vacation is paid according to the qualifying hours credited an eligible registrant in the previous payroll year. An individual who is registered and qualified on December 31 of the calendar year in which he or she earns a vacation receives a vacation with pay.

Payment is made at the straight time hourly rate prevailing on January 1 of the calendar year in which the vacation is paid. Each week of vacation is paid at 40 times the registrant's applicable straight time hourly rate or appropriate skilled straight time rate. Vacation payments are made in the first full payroll week in March.

A skilled rate applies when at least half of the qualifying hours are paid at a skilled rate. The skilled rate payable is the highest skill rate at which accumulated skilled hours equal at least 25% of the qualifying hours for the basic vacation.

One-week or two-week vacation benefit eligibility requirements depend on the age of the registrant and by the average hours of the port in which the individual is registered.

The "average port hours" are calculated separately for longshoremen, clerks and foremen and are the average hours paid to registrants in the "port of registration" during the payroll year, excluding those with fewer than 100 hours.

The following table illustrates the annual hours requirements for vacation eligibility under varying conditions.

Annual Hours Requirements for Vacation Eligibility

Average Port Hours	Under Age 60		Age 60 and over	
	1 wk	2 wks	1 wk	2 wks
1,300 or more	800	1,300	700	1,200
1,200 - 1,299	700	1,200	600	1,100
1,100 - 1,199	676	1,100	600	1,100
1,000 - 1,099	615	1,000	600	1,000
900 - 999	552	900	552	900
less than 900	552	800	552	800

Description of Year of Service for Vacation

A Year of Service for vacation eligibility is a payroll year in which the registrant is credited with at least 800 combined hours paid and equivalenced hours of Pay Guarantee Plan payments.

Qualifying Hours for Collectively Bargained Benefits

(Each circle represents hours or credits providing qualification for each respective benefit plan.)

	Hours Paid	Travel Time Hours	PGP Hours (Equivalenced)	Vacation Hours Paid	Holiday Hours Paid	Jury Duty	Credit for: Disability	Leave of Absence	Military Service
ILWU-PMA Pension Plan	○	○	○	○	○	○	○		○
ILWU-PMA Welfare Plan	○	○	○				○	○	○
Vacation and Holidays	○	○	○			○	○		
Pay Guarantee Plan	○					○			

PGP Hours are not considered qualifying hours for a vacation, but they are credited when required to establish a year of past service for determining additional vacation weeks.

Credits for military leaves of absence are given using the same formula used for authorized leaves of absence of 90 days or less.

ILWU-PMA WELFARE PLAN

If an employee fails to establish eligibility because of a qualified disability, he or she may be credited with additional hours during the term of his or her certified disability. Provisions are different for those who have 25% or more of the required hours from those with less than 25% of the requirement.

25% or more of the hours required: Hours credited will be the number of weeks of credited disability multiplied by the average hours per week credited to the employee in the review period (excluding the disability period).

Less than 25% of hours required: Employee may be credited with sufficient hours to establish eligibility. A maximum of 5 consecutive years credit is allowed if the disability is job-related for which the employee receives industrial compensation. Otherwise, a maximum of 3 consecutive years may be credited.

ILWU-PMA PENSION PLAN

A participant is credited with hours for absence due to work-related illness or injury for which he or she receives worker's compensation. Hours granted by a JPLRC or the Trustees for on- or off-the-job disability absences (up to 100 hours per year for each type of disability absence) are also credited.

VACATION PLAN

If the employee does not sufficient hours to qualify due to illness or injury, the qualifying hours shall be based on hours worked during the 4 payroll quarters preceding the quarter in which the injury or illness occurred.

For an authorized Leave of Absence of less than 90 days, credit toward the hours requirement may be given an employee by multiplying the number of weeks absent by the average number of hours paid to the employee in his review (excluding the leave of absence).

Service as a full-time Union official or as a joint employee of a Labor Relations Committee, of the Welfare and Pension Trustees, or of another joint entity of the ILWU and the PMA is considered qualifying time.

After registration, service in the Armed Forces of the United States or as a civilian in longshore operations during World War II, the Korean or Vietnam War is considered qualifying time.

Continuous absence due to work-related injury for which an employee received Worker's Compensation is considered qualifying time. Temporary absence due to compensable temporary partial disability because of industrial illness or injury shall also be considered qualifying time.

Extra Benefits for Clerks and Foreman

Clerks and walking bosses/foreman receive additional hours of vacation pay, depending on the total hours paid to the individual in the previous payroll year.

Two additional hours of vacation are accrued for each 50 paid hours a clerk accumulates per year in excess of 1,975, up to a maximum of 16 hours additional vacation pay.

Walking bosses and foreman accrue 2 additional hours of vacation pay for every 100 hours of pay accumulated over 1,400 hours, up to a maximum of 20 additional hours of vacation pay.

Additional Weeks of Vacation

Up to four additional weeks of vacation may be earned and paid, based on the number of past years of service in which a registrant received a basic one-week vacation. The requirements are shown in the table below.

To receive a third week of vacation, a registrant must have earned a two-week basic vacation and, depending on the port of registration, must satisfy the criteria for that port.

In the major ports of Seattle, Portland, San Francisco Bay Area, and Los Angeles/Long Beach, the individual must also have had 8 years of service with a one-week basic vacation. Registrants in minor ports must have accrued 5 years with a 1-week basic vacation out of the previous 10 payroll years *and* have been available for employment for ten years or more. "Available for employment," in this instance, means any year that the individual has been paid 100 longshore hours or more, regardless of registration status.

Eligible registrants may also receive extra weeks of vacation independent of having received a third week of vacation. For these extra weeks of vacation, the registrant

must have earned 1 week of basic vacation and have 17 or more past years of service with 1 week of vacation. After 17, 23 and 25 past years of service with 1 week of vacation, one, two, or three extra weeks of vacation are earned, respectively.

Therefore, an individual with sufficient past years of service may earn extra weeks of vacation without qualifying for a 2-week basic vacation.

<p>Extra Weeks of Vacation <i>(Independent of the registrant's receiving second or third week)</i></p>
<p>Requires 1 week of basic vacation in the previous payroll year <i>-plus-</i></p>
<p>17 years of service with 1-week vacation for 1 extra week <i>or</i></p>
<p>23 years of service with 1-week vacation for 2 extra weeks <i>or</i></p>
<p>25 years of service with 1-week vacation for 3 extra weeks</p>
<p>3rd Vacation Week</p>
<p>Requires 2 weeks of basic vacation in the previous payroll year <i>-plus-</i></p>
<p><i>Registered in Seattle, Portland, SF Bay Area and LA/LB: 8 years of service with 1-week basic vacation</i></p>
<p><i>Registered in other ports: 5 years of the previous 10 payroll years with 1-week and Available for employment for 10 years or more</i></p>

Paid Holidays

Longshore, clerk, and foreman registrants are eligible to receive a paid holiday provided they (1) have registration status on the date of the paid holiday and (2) have been paid sufficient hours in the previous payroll year to qualify for a basic one-week vacation.

To receive a paid holiday benefit, an eligible registrant must be available for at least 2 of the 5 days (Monday – Friday exclusive of the holiday) during the payroll week in which the holiday falls.

If the registrant was paid sufficient hours in the previous payroll year to qualify for a 2-week basic vacation, the aforementioned "availability" requirement is waived for paid holidays which are normal work days – *i.e.*, Martin Luther King's Birthday, Washington's Birthday, Cesar Chavez' Birthday, Memorial Day, Independence Day, Harry Bridges' Birthday, and Veteran's Day.

Those eligible for paid holidays receive pay equivalent to 8 hours at the basic straight time rate whether or not they work on such holiday. All individuals who work on a "paid holiday" are paid for hours worked at the overtime rate, regardless of registration or eligibility status.

There are 15 *recognized* holidays under the longshore, clerks', and foremen's contracts. All hours paid on these agreement holidays are paid at the overtime rate of pay. Thirteen of these, excluding Lincoln's Birthday and Bloody Thursday, are designated as "paid holidays."

1. New Year's Day
2. M.L. King's Birthday
3. *Lincoln's Birthday*
4. Washington's Birthday
5. Cesar Chavez' Birthday
6. Memorial Day
7. Independence Day
8. *Bloody Thursday*
9. Harry Bridges' Birthday
10. Labor Day
11. Veterans Day
12. Thanksgiving Day
13. Christmas Eve Day
14. Christmas Day
15. New Year's Eve Day

ILWU-PMA 401(k) Plan

All registrants who participate in the ILWU-PMA Pension Plan and receive paid industry compensation (vacation and paid holiday pay) are eligible to elect to contribute to a 401(k) savings account. Participants may allocate between one and eight dollars (in one-dollar increments), by payroll deduction, to their chosen investments (among eleven options) for each qualified hour paid. All hours paid by PMA member company employers under the PCL&CA and the PCWB&FA (except nonprofit or government entity member companies) qualify. The Internal Revenue Service sets yearly contribution limits.

All registrants, who have established a pension qualifying year in the previous calendar year, will receive an employer contribution to their 401(k) accounts as soon as practicable following the end of each Contract year. All longshore and clerk employees will receive one dollar per hour, for hours paid under designated longshore, clerk, and walking boss occupation codes up to a maximum of 2,000 hours. All walking boss or foreman employees will receive four dollars per hour, for hours paid at walking boss and foreman occupation codes up to a maximum of 2,800 hours.

Pay Guarantee Plan

The Pay Guarantee Plan (PGP) program provides a supplemental unemployment benefit for registered Class "A" longshore and clerk registrants. After one year of registration, Class "A" and "B" registrants who are paid 50% or more of the average work hours available to Class "A" or Class "B" individuals, respectively, in their home port for the most recent 4 payroll quarters preceding the current quarter, or have earned at least a basic 1 week vacation in the preceding payroll year are added to the PGP eligibility list.

Registrants who have insufficient hours to meet the 50% test due to vacation, jury duty, illness, injury, full-time Union employment, full-time joint employment, military service, leave of absence, etc. are entitled to a pro rata adjustment on the basis of hours worked while not absent during the test period.

Registrants working on a steady basis for an employer under a weekly or monthly guarantee are not included on the PGP eligibility list. Additionally, those employed or released as steadies during a payroll week are not eligible to receive PGP benefits for that week.

To receive PGP benefits, registrants on the PGP eligibility list must prove "availability" for the 5 days Monday through Friday, inclusive. If a paid holiday is observed on Monday through Friday, availability is

not required on the day on which the paid holiday is observed. "Availability" is defined as working or being available for work without employment offered.

The weekly availability requirement is reduced by one day for each Saturday and/or Sunday in which the registrant is paid a shift of at least 4 hours.

For registrants selected for jury duty, days served as a juror, Monday through Friday, will count toward PGP availability, and weeks of jury duty will not be subject to the four-week averaging.

The hourly PGP rate is equal to the applicable straight time base wage rate.

The Pay Guarantee Plan benefit payable to a longshore or clerk registrant for the week is the difference between the individual's earnings for the four-week period ending with the current week and the sum of the maximum PGP benefit (see table on the right) for each of the same four weeks.

If the registrant's earnings in any week of the 4-week period were less than the maximum weekly benefit amount and the individual was ineligible for a PGP benefit that week, the calculation for the 4-week period will be made as if the earnings for that week were equal to the appropriate maximum PGP weekly benefit "Earnings" are defined as all payments received including hourly wages, skill pay, penalty cargo pay, travel time pay, payments for vacations and holidays, jury duty pay, State unemployment benefits, and PGP payments.

No one is entitled to a PGP payment for any payroll week while on vacation. When on vacation, the appropriate maximum weekly PGP benefit is charged to registrant's weekly guarantee record for each week of paid vacation taken. If at the end of the payroll year the payroll records indicate that a registrant has not taken the number of weeks of vacations paid, the appropriate maximum weekly PGP benefit is charged to that person's guarantee record for the number of weeks of vacation not taken, beginning with the first payroll week following the end of the payroll year.

Calculation of PGP benefits for walking bosses and foremen differs. Their payable benefits for a week is the difference between earnings for the week and the weekly maximum PGP benefit (see table below).

However, PGP payments are suspended for the remainder of any payroll quarter in which the foreman's quarterly payroll earnings, excluding vacation pay, exceed a jointly negotiated amount. Currently, the earnings limit is \$17,600 per payroll quarter.

Maximum PGP Benefits

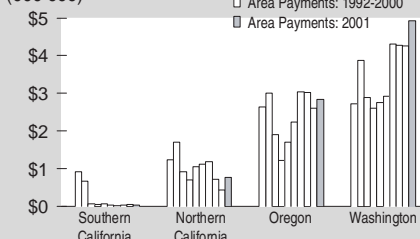
Longshoremen and Clerks

Class "A"	38 hours/week
Class "B" (after one year of registration)	
5 or more vacation	
qualifying years	38 hours/week
less than 5 vacation	
qualifying years	28 hours/week

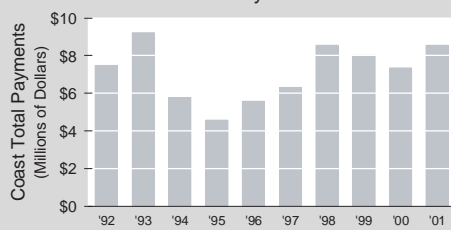
Walking Bosses and Foremen **38 hours/week**

Longshore & Clerk PGP by Area by Year: 1992-2001—A Story in Graphs

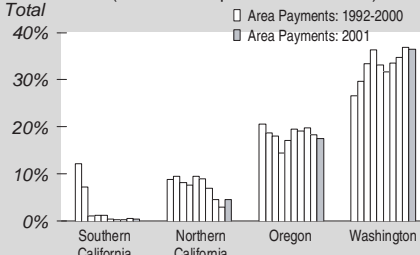
Total Longshore & Clerk PGP: 1992-2001
Annual Area Payments (Each Bar Represents One Year)



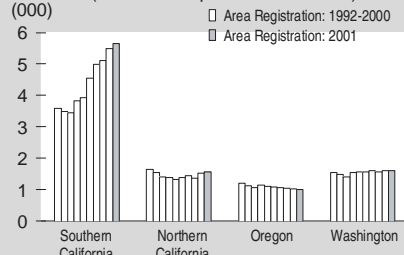
Longshore & Clerk PGP Total Coast Payments: 1992-2001



Annual Area Payments as a Percent of Coast Totals (Each Bar Represents One Year)



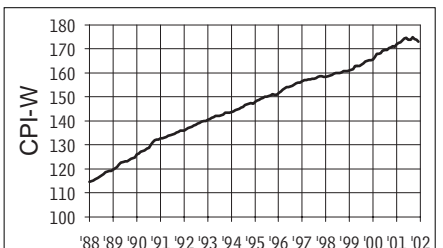
L/S & Clerk Registration By Area at end of Payroll Year (Each Bar Represents One Year)



CONSUMER PRICE INDEX U.S. CITY AVERAGE - ALL ITEMS (1982-84 = 100)

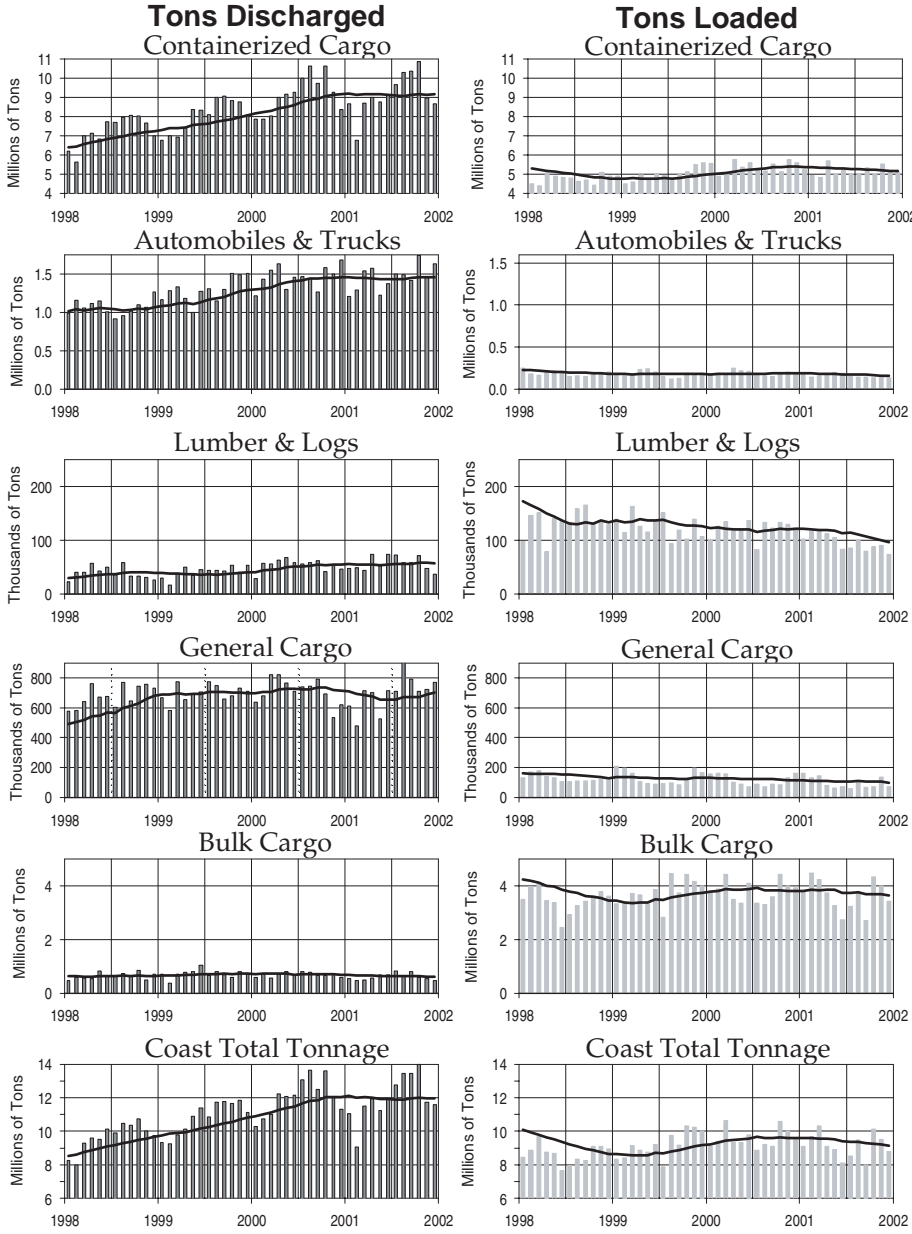
Urban Wage Earners & Clerical Workers

Month	1999	2000	2001	12 Mo.
JAN	161.0	165.6	171.7	3.68
FEB	161.1	166.5	172.4	3.54
MAR	161.4	167.9	172.6	2.80
APR	162.7	168.0	173.5	3.27
MAY	162.8	168.2	174.4	3.69
JUN	162.8	169.2	174.6	3.19
JUL	163.3	169.4	173.8	2.60
AUG	163.8	169.3	173.8	2.66
SEP	164.7	170.4	174.8	2.58
OCT	165.0	170.6	174.0	1.99
NOV	165.1	170.9	173.7	1.64
DEC	165.1	170.7	172.9	1.29



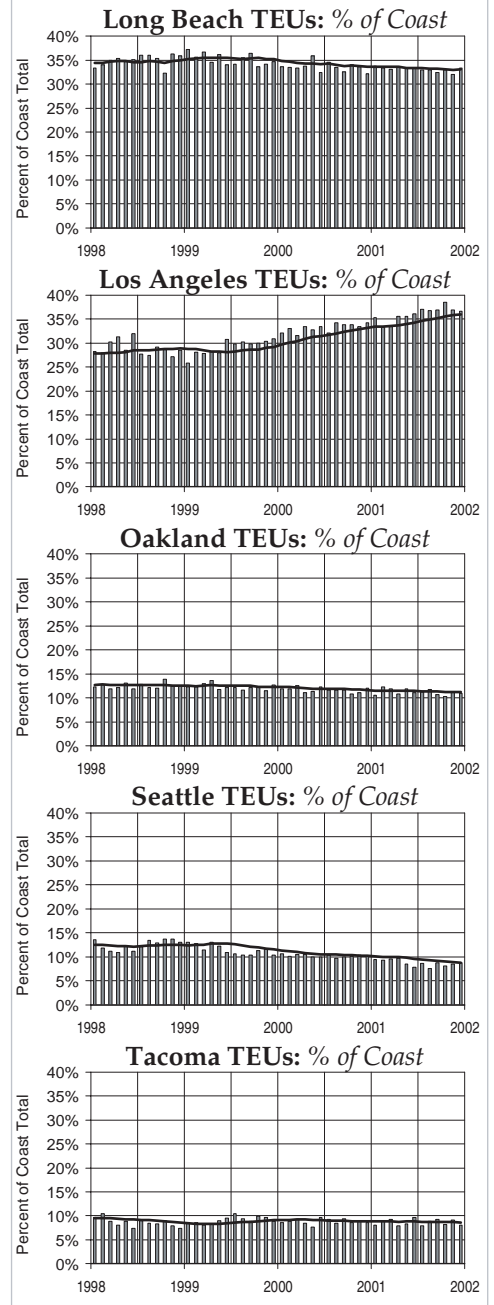
Monthly Tonnage by Reporting Category: Discharged vs. Loaded

Actual Tons Reported by Month



In the Tonnage graphs above, bars represent monthly totals, and the lines show 12-month moving averages.

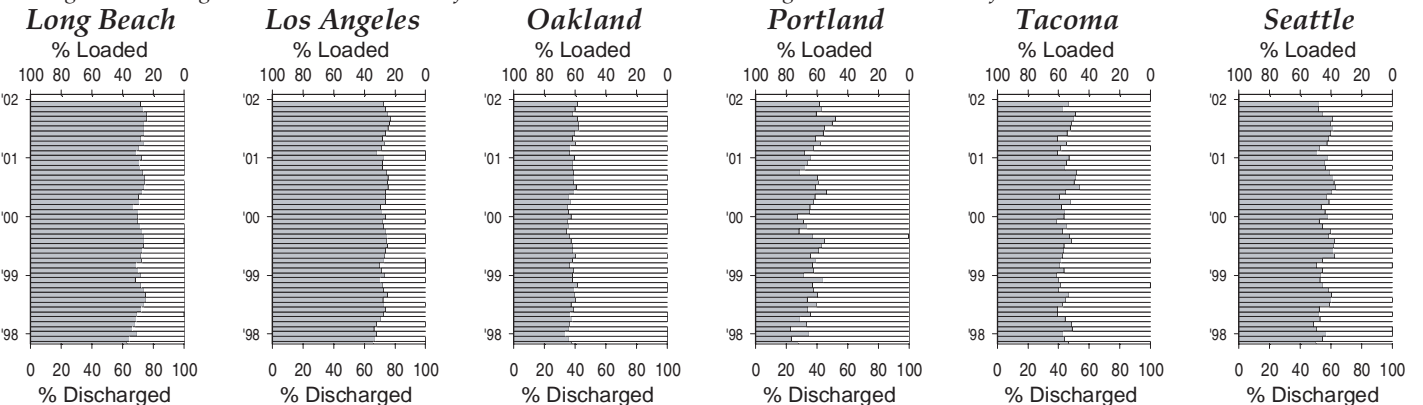
Major Container Ports: Percent of Coast Total TEUs



"Weighted" Tonnage: % Discharged vs. % Loaded

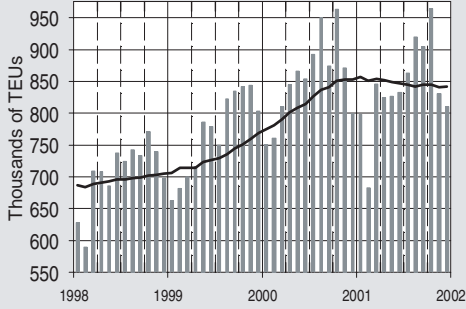
("Weighted" Tonnage = Containerized + 1/6 of Autos & Trucks + Lumber & Logs + General + 1/50 of Bulk)

% Discharged % Loaded

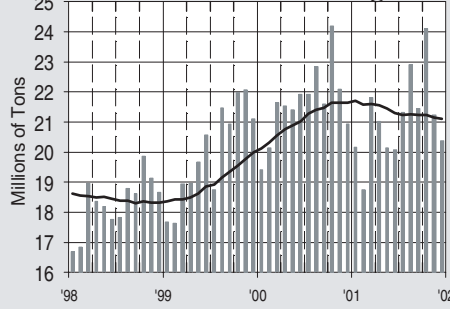


Monthly Tonnage by Reporting Category and Weekly Hours by Occupation Code Type

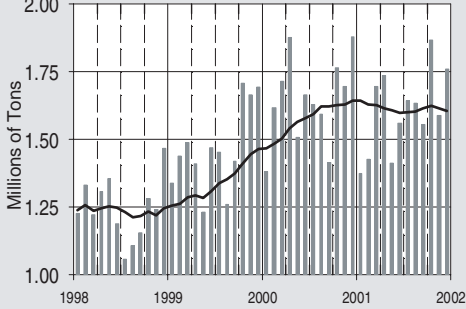
Containers (TEUs)



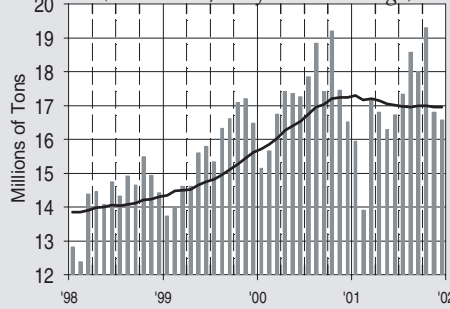
Coast Total Tonnage



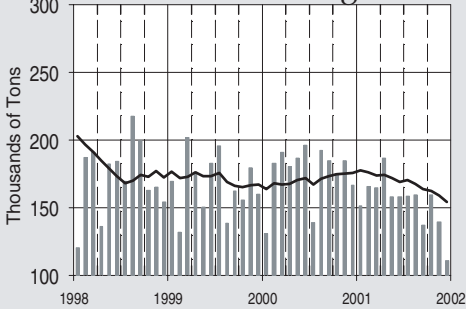
Automobiles & Trucks



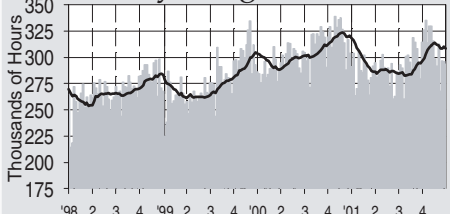
"Weighted" Total Tonnage
(Includes 1/50 of Bulk Tonnage)



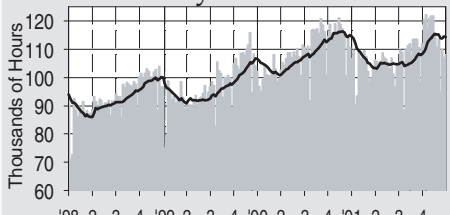
Lumber & Logs



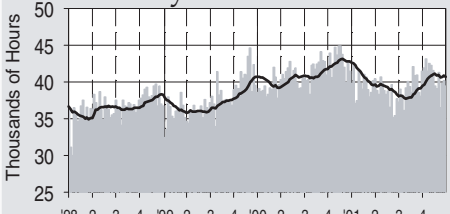
Weekly Longshore Hours



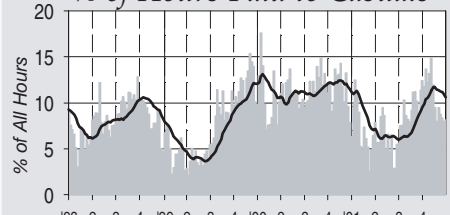
Weekly Clerk Hours



Weekly Foreman Hours

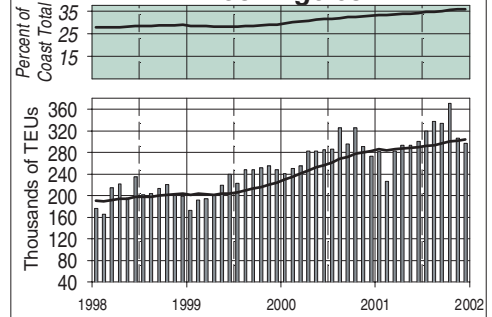


% of Hours Paid to Casuals

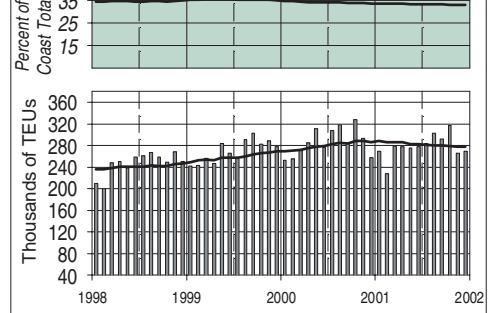


Major Container Ports: Monthly TEUs Reported & Percent of Coast Total TEUs

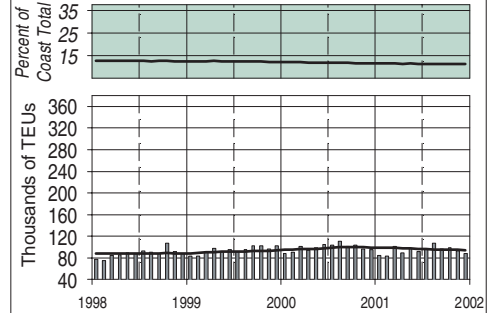
Los Angeles



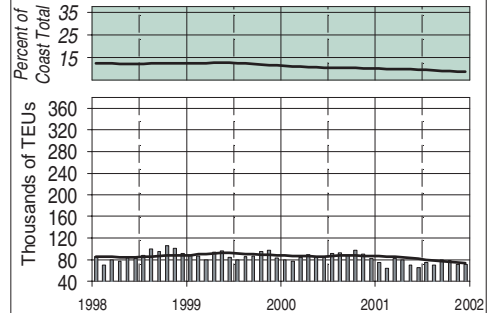
Long Beach



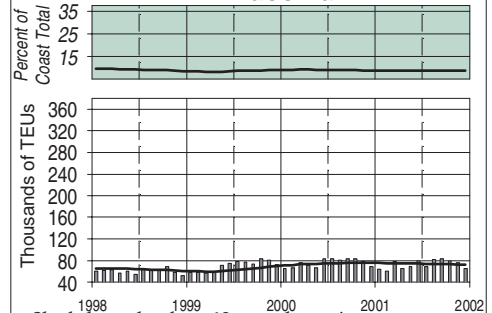
Oakland



Seattle



Tacoma



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.