

Remarks on the West Coast Ports Labor Agreement
September 6, 2023

Hello, everybody.

Let me explain to the press: I've been tested again today.

[At this point, the President held up a medical face mask.]

I'm clear across the board—[*laughter*]*—*but they keep telling me, because this has to be 10 days or something, I've got to keep wearing it. But don't tell them I didn't have it on when I walked in. [*Laughter*] All right?

Folks, good afternoon. I'm really happy this day has arrived. It's a big deal for management and for labor, as well as for the United States of America. And I really mean it.

For the past 13 months, the International Longshoremen and Warehouse Union, representing 22,000 workers in the West Coast ports, and the Pacific Maritime Association, representing shipping companies that depend on those ports and those workers—they've been negotiating a new contract.

At long last, they have reached an agreement—because they stuck with it—that has been ratified with overwhelming support by union members. I think over 70 percent, if I'm not mistaken.

And I just met with the leaders of the ILWU, including President—and I knew Willie for a long time—Willie Adams, who is the leader there. I was kidding him. I said I want to know who his haberdasher is. He looks awful good, doesn't he? [*Laughter*] And I like that cut.

And the leaders of the Maritime—the Pacific Maritime Association and CEO Jim McKenna. Jim, thank you and congratulations on getting this deal done.

I also want to recognize Julie Su, my assistant—my Acting Secretary of Labor, who used her deep experience to keep tough negotiations going and, I'm told by both sides, helped close the deal.

I want to thank both sides for working through this and for getting it done. It's a good deal for workers, it's a good deal for companies, and it's a good deal for the United States of America.

This landmark contract covers 29 ports—stretching from San Diego, California, to Bellingham, Washington—that play a major role in the Nation's economy. More comes through those ports than any other means of getting into the United States of America. It's gigantic—gigantic—economic impact.

For example, the Port [Ports; White House correction] of Los Angeles and Long Beach, which I've visited both, covered this—are covered by this deal. They handle 40 percent—40 percent—of the Nation's cargo containers every single year.

And with this contract, dock workers at those 29 Pacific ports will get a pay benefit and working conditions that I believe they deserve, and apparently, it was agreed upon. That includes a guaranteed 32-percent pay increase over a 6-year period. It also includes a one-time bonus for the dockworkers' exceptional efforts during the pandemic—during the pandemic. And it matters.

We all remember how the ports around the world were congested due to disruptions caused by the pandemic.

During my first year as President, ahead of the holiday season, my administration brought together port operators and shipping companies and labor to do everything they could to ease the bottlenecks for that season—that Christmas season. And America's longshore workers stepped up with extraordinary measures, including working around the clock—24 hours a day, 7 days a week—to keep the cargo moving.

It worked. Working with port operations, about 97 percent of the packages were delivered on time for the holidays or with only minimal delays. And I want to thank the port operators for that as well.

Delivery times were actually quicker before the—than before the pandemic. Our dock workers did that, and I want to thank them and the port operators. And our Nation's ports moved record levels of cargo in 2021. Then we moved record cargo again in 2022.

And today, thanks to the American workers, including the longshore workers and truckers and rail workers, America's supply chains are operating smoothly again. With this agreement, they are being paid what they deserve, and goods are moving quickly and efficiently across the country.

Plus, this has a direct impact on reducing inflation. When the cost of moving goods through supply chains goes up, inflation goes up. Strengthening supply chains and—strengthen supply chains, and inflation goes down. That's why we've made fixing our supply chains to bring down inflation a top priority. And it's working.

Today, inflation is down to around 3 percent, about one-third of what it was 1 year ago. That's near its lowest point in over 2 years.

This contract proves that collective bargaining works. It gives workers a seat at the table and ensures that their well-being, security, and futures are our priority. And it also gives employers the opportunity—it delivers for employers by helping them attract and retain the best, most productive workers in the world.

Yes, it often takes time. But done right, collective bargaining means everyone wins: workers, employers, our economy, and consumers.

That's why I also want to congratulate another labor agreement. The Teamsters overwhelmingly ratified their contract with UPS last month.

UPS is the largest single-employer contract in all of North America, covering 340,000 workers. And thanks to that contract, those workers will see significant pay increases; improved working condition; a brief relief from the heat in delivery trucks by eliminating a tier system, which unfairly paid some lower waged—some drivers lower wages than others doing the same exact job.

With this historic contract, our Teamsters are going to continue to deliver UPS goods across the country and our supply chains will continue working the way they should.

And these labor agreements build on other actions we've taken. During the pandemic, ocean carriers increased their prices as much as 1,000 percent, costing farmers, ranchers, and our economy a lot of money.

But, last year, I signed the Ocean Shipping Reform Act, cracking down on foreign shipping companies that were making Americans pay higher prices for everyday goods coming into our country. Since then, we've seen ocean shipping container rates come down to near prepandemic levels.

And under the historic bipartisan infrastructure law, which we passed, we are making long-overdue investments to upgrade our Nation's railroads, highways, airports, and ports. The

infrastructure law recognizes the vital role of modern, resilient infrastructure in reducing costs for American families and businesses and in creating good-paying union jobs for American workers.

You know, all of this progress underscores something else. You've heard me say many times, including this Labor Day, "Wall Street alone didn't build this country; the middle class built the country, and unions built the middle class."

American union workers are the best in the world. And they do their job on time, long-term—and at less cost over time. People are starting to understand that. That's why America's support for unions is higher than it's been in nearly 60 years.

And to anyone who asks whether unions really make a difference, I urge them to read the new report from the Treasury Department, which was released last week. It's the most comprehensive ever look at the impact that unions have had on our economy.

And it concludes definitively that unions raise workers' income; increase American homeownership, creating more jobs; increase retirement savings; increase access to critical benefits, like sick leave and childcare; and reduce inequity—all of which strengthens our economy up and down the line.

When the middle class does well, everyone does well. And the wealthy still do very, very well.

Plus, even workers who aren't in unions, even workers who have been laid off see benefits when unions are strong. Because unions raise standards across the workforce and industries, pushing up wages, strengthening benefits, and strengthening them for everyone.

That's why I'm continuing to call on Congress to fully and finally pass the Protection of the Right to Organize Act—the PRO Act—which makes it easier for workers to organize unions and more difficult for businesses to engage in unfair practices.

Let me close with this. We've faced some pretty tough times in recent years: a pandemic that took more than a million of our friends and neighbors and our families. It was the worst economic crisis since the Great Depression—and major disruptions to critical supply chains. It wasn't long ago that 20 million people were out of work here in America—20 million.

But the American people and American workers didn't give up.

Today, we have the strongest economy in the world. Let me say that again: Today, the United States has the strongest economy in the world, the lowest inflation rate among all major economies, and 13.5 million new jobs—around 800,000 of them manufacturing jobs.

America is now one of the strongest job-creation—going through one of the strongest job-creation periods in our Nation's history. And it's no accident. I came determined to build an economy, as I said before, from the middle out and the bottom up. Because everyone does well when the middle class does well, and the wealthy do very well.

And look, to invest in American workers, who are the backbone of the country, makes sense to me. The labor contracts we celebrate today prove that.

And while I'm proud of all the steps my administration has taken to strengthen the economy, the real hero in this story are the American people: ordinary people getting up every morning, walking out, busting their necks, believing in the—and doing their work, showing up. They're the ones making this happen, and they remind us who we are.

I've said it many times, and I make no apologies for it: We're the United States of America. There is nothing, nothing, nothing beyond our capacity when we do it together. Think about it. Name me one major issue that we've set our mind on solving we haven't been able to do.

So God bless you all. Thanks for what you did. Thanks for—and may we continue to have this economic growth. And may God protect our troops.

Thank you all so very, very much. Thank you.

NOTE: The President spoke at 2:21 p.m. in the State Dining Room at the White House.

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