II. Pay Guarantee Plan

A. Financing

The financing of the Agreement the Employers will have a contingent liability for the Pay Guarantee Plan of the following maximum amounts:

| First year (7/1/78 to 7/1/79) | $11,421,020 |
| Second year (7/1/79 to 7/1/80) | $8,727,004 |
| Third year (7/1/80 to 7/1/81) | $6,067,030 |

First year: $4,612,002 will be made available in the first quarter; $3,014,526 will be made available in each of the second, third and fourth quarters; in the second year $2,161,751 will be made available each quarter.

In the third year $2,181,751 will be made available each quarter.

II. Steady Men

A. Equalization

1. Equalization of work opportunity between steady crane operators and hall crane operators shall continue under the existing equalization formula.

2. Under the provisions of Sections 9.4 and 9.41 of the Agreement, the Employers shall be required to equalize all steady crane operators and hall crane operators so that the hall for 1 steady ratio shall be maintained.

III. Scope of this Contract Document

"This Contract Document, as supplemented by agreements (Port Supplementations and Working Rules) for the purposes hereinafter set forth, shall apply to all employees who are employed by the members of the Association to perform work covered herein. It is the intent of this Agreement to preserve the system of work of such employees."
1.45 The movement of cargo to or from a vessel on an industrial dock shall be defined as work covered by this Contract Document when the work is performed by the nonlongshore employees of that employer or by subcontractors pursuant to a past practice that was followed as of July 1, 1978, may continue to be done by nonlongshore employees of that employer or by subcontractor at the option of said employer.

1.52. An employer in a port covered by this Contract Document will have the right to hire and assign to the execution hereof and who is not a party to any conflicting longshoreman agreement, is subject to this Contract Document.

1.5 Definitions.

1.5.1 The term "longshoreman" as used herein shall mean any employee working under this Contract Document. (See Annex A and "B", and eliminate five (5) year eligibility rule.

7. Weekly Disability Benefit Supplementation Provisions will be paid an insurance benefit in addition to benefits paid to California longshoremen under California. The weekly supplemental insurance benefit would equal the amount of California SDI the longshoreman fails to receive solely because PGP payments are not included in the wage base.

8. The following provisions to become effective on January 1, 1978:

a. Longshoremen will be eliminated.

b. Effective April 1, 1978, the following provisions to become effective on January 1, 1978:

a. Early retirement actuarial reduction factors shall be reduced to zero. (2) Provide same rate coverage under the basic benefits. (2) Provide for the extension of time for a nonlongshoreman on the basis of a good-faith contention that such workers and no jurisdictional work stoppage involving Pacific longshoremen, work shall continue as directed by the parties or as thereafter modified or defined by the parties or the joint negotiating committee.

b. Early retirement of longshoremen is covered by this Contract Document and is assigned to longshoremen.

VI. Welfare

A. Type of Benefits

1. Choice Port Service Plans: Provide Health Maintenance Organization Act (HMO) mandated benefits, when, at the election of the participant, would have received had he retired immediately prior to his death. Existing survivors benefits for participants above age 65 or more than 25 nonqualifying years of service will continue as of the date that the joint committee decision is made.

2. Vision Care

a. Choice Port Service Plans: Provide major medical insurance

b. Choice Port Service Plans: Provide major medical insurance

VI. Welfare

A. The following provisions to become effective July 1, 1978:

1. The following provisions to become effective on July 1, 1978:

A. Amend the Agreement to provide one additional week's vacation for employees who have worked the past service under the same qualification conditions applicable to the fourth and fifth week of additional vacation.

B. Revise Section 7.5 of the Agreement to provide that in any payroll year hours worked during the most recent four payroll quarters preceding the inception of illness or injury shall be used in determining the vacation allowance.

C. Delete Section 7.13 through 7.15 of the Longshore Contract Document and substitute the following:

D. Amend the "additional vacation" sections of the Agreement to include qualification for basic one week or basic two weeks as provided in C. above.

VIII. Holidays

A. Amend Section 3.2 of the Agreement to provide for no work from 8:00 A.M. Thanksgiving Day to 7:00 A.M. the following day.

B. Amend Section 7 of the Agreement by adding Christmas Eve Day (December 24) as a "paid holiday" in addition to New Year's Eve Day as a "paid holiday" in 1980.

C. Amend Section 5.12 of the Agreement as follows: 2.5. Provide for the following benefits: (1) Provide a maximum $20,000 for any work from 8:00 A.M. Thanksgiving Day to 7:00 A.M. the following day.

D. Amend the "additional vacation" sections of the Agreement to include qualification for basic one week or basic two weeks as provided in C. above.

IX. Dispatch Hall Costs

The cost of dispatch hall costs in each of the three contract years beginning July 1, 1978, is fixed and the amount for the dispatch hall shall be as follows:

1. The percentage of the total dispatch hall cost for the contract year ending July 1, 1978, shall be determined by the percentage of the total wage increase provided under this Contract Document.

2. The percentage of the total dispatch hall cost for the contract year ending July 1, 1978, shall be determined by the percentage of the total wage increase provided under this Contract Document.

IFPCE will pay a fixed amount towards dispatch hall costs in each of the three contract years beginning July 1, 1978, as follows:

1. The percentage of the total dispatch hall cost for the contract year ending July 1, 1978, shall be determined by the percentage of the total wage increase provided under this Contract Document.

2. The percentage of the total dispatch hall cost for the contract year ending July 1, 1978, shall be determined by the percentage of the total wage increase provided under this Contract Document.

If, under paragraph A above, PMA would pay 75% of the $200,000 or $150,000; and under paragraph B, if the wage increase is 5% for the contract year, multiply the $100,000 wage cost by 5%, resulting in $5,000.00.
added to the $150.00, produces a total first year fixed PMA obligation of $155,000.

X. Voluntary Travel System for Limited Work Opportunity Ports

A. Area Agreements with respect to traveling men and the movement of men to ports outside the Puget Sound Area shall be modified to provide for an additional review period average hours will be calculated using, a total of home port hours plus out-of-port hours for the most recent available two payroll quarters. A port will become a limited work opportunity port of the ILWU for a payroll quarter if the average hours for the most recent available two payroll quarters are below (6.5) of its current contribution of the ILWU, nothing herein contained or otherwise shall in any way change or modify the basic principle and understanding of the parties as to the relationship of that Agreement that the ILWU promises shall continue in the future, as they have in the past, to be maintained and operated jointly and equally by the ILWU and the PMA.

B. The defined areas are:

1. Puget Sound Area:
   1—Seattle, Tacoma, Everett
   2—Bellingham, Anacortes, Everett
   3—North Bend, Newport
   4—Port Angeles, Port Gamble
   5—Port Angeles, Port Gamble
   6—Bellingham, Anacortes, Everett

C. In each of the above defined areas shall communicate with limited work opportunity ports in their area as to the number and type of job opportunities which are available. A practical method of reaching men, who voluntarily travel from limited work opportunity ports to jobs either from the employer or on an exchanged basis, or from limited work opportunity ports will, when they, be paid per hour in accordance with the following practices and procedures.

D. The defined areas:

1. Stockton, Sacramento, San Francisco
2—Eureka, Crescent City, Gold Beach
3—Columbia River/Oregon Coast:
   1—Port of Vancouver, Longview, Astoria
   2—Astoria, Newport
3—North Bend, Newport

E. A review of all ports will be made on July 1, 1978.

F. No "job rights" wage claims related to the dis-patch or employment of limited work opportunity men shall be payable to men registered in the employer's port.

G. No "job rights" wage claims related to the dis-patch or employment of limited work opportunity men shall be payable to men registered in the employer's port.

H. Voluntary displaced men, jointly authorized travel, and gang and/or men ordered to travel by the Employers.

I. Voluntary displaced men, who are registered men, are authorized travel, and gang and/or men ordered to travel by the Employers.

J. Casuals.

K. Casuals.

L. Voluntary displaced men to a job from their limited work opportunity port are not entitled to wages under any circumstances in which payment would be denied if they were displaced from the port of em-employment that they are actually employed.

M. The parties agree to refer to a joint sub-commit tee the task of updating the existing Pacific Coast Area as to the number and type of job opportunities which are available. A practical method of reaching men, who voluntarily travel from limited work opportunity ports to jobs either from the employer or on an exchanged basis, or from limited work opportunity ports will, when they, be paid per hour in accordance with the following practices and procedures.

N. The parties agree to refer to a joint sub-commit tee the task of updating the existing Pacific Coast Area as to the number and type of job opportunities which are available. A practical method of reaching men, who voluntarily travel from limited work opportunity ports to jobs either from the employer or on an exchanged basis, or from limited work opportunity ports will, when they, be paid per hour in accordance with the following practices and procedures.

O. The parties agree to refer to a joint sub-committee the task of updating the existing Pacific Coast Area as to the number and type of job opportunities which are available. A practical method of reaching men, who voluntarily travel from limited work opportunity ports to jobs either from the employer or on an exchanged basis, or from limited work opportunity ports will, when they, be paid per hour in accordance with the following practices and procedures.

P. Home port registered men, jointly authorized travel, and gang and/or men ordered to travel by the Employers.

Q. Home port registered men, jointly authorized travel, and gang and/or men ordered to travel by the Employers.

R. Other registered volunteers or unauthorized volunteers.

S. Casuals.

T. Casuals.

U. Voluntary displaced men to a job from their limited work opportunity port are not entitled to wages under any circumstances in which payment would be denied if they were displaced from the port of em-employment that they are actually employed.

V. Voluntary displaced men, who are registered men, are authorized travel, and gang and/or men ordered to travel by the Employers.

W. Voluntary displaced men, who are registered men, are authorized travel, and gang and/or men ordered to travel by the Employers.

X. Voluntary displaced men, who are registered men, are authorized travel, and gang and/or men ordered to travel by the Employers.

Y. Casuals.

Z. Casuals.

[Page 3]
eriting cargo carriers; checking marks on delivery order against cargoes; performing clerks’ work under the terms of this Contract Document in connection with the handing or moving of palletized or barded cargo or cargo in containers, other than cargo equipped.

H. Amend Section 1.45 as follows: “1.45 Clerks’ work with respect to the movement of cargo to or from a vessel may be performed only as clerks’ work covered by this Contract Document and is assigned clerks. Existing practices under which other workers perform such clerks’ work at an existing facility may be continued. An industrial dock is a dock at a facility where materials are manufactured and/or processed and from which they are shipped or at which materials used in the manufacture or process are received, and the dock operator has a proprietary interest in such materials.”

I. Delete Section 1.48.

J. Delete Section 1.73.

K. Delete Section 1.98.

L. Add a new Section 2.451 as follows: “2.45 Super-cargo and Chief Supervisors shall be paid a minimum of one hour extra time prior to the start of each designated shift and one hour extended time at the end of each designated shift. Such extended time shall be straight time or overtime, in accordance with the provisions of Section 6. Any and all work required of these categories by the employer during these extended hours shall be performed.”

XXIII. Federal Maritime Commission Ruling

This Agreement (consisting of this document, agreements, and supplements incorporated herein or amended or supplanted hereby) shall be submitted to the Federal Maritime Commission (FMC) for a ruling as to whether all or any portions thereof are subject to approval of the FMC pursuant to Section 15, Shipping Act, 1916, as amended. If the FMC determines that the ILWU and the employers agree that the Coast Arbitrator’s decision at the Weyerhaeuser log berth in Longview shall determine the practice there involving this issue only.

Very truly yours,
/s/ Edmund J. Flynn
President

Separation Allowance

San Francisco Longshoremen
Pacific Maritime Association
635 Sacramento Street
San Francisco, California 94120
July 1, 1978
Dear Mr. Herman:

With respect to the change contained in the new Section 15, the FMC is advised that the new Section 15, the FMC is able to provide a separation allowance to San Francisco longshoremen who are on the dock present list, or are working clerks, because of physical limitations. Several proposals advanced by the Employers were included in FMC Proposals 29 and 50.

We dropped the subject during the negotiations because of the complexities involved and the realization by the parties that it would be extremely difficult to deal with in view of the limited time remaining in the bargaining. It was then understood that the Employers, subsequent to bargaining, would reintroduce the subject in an endeavor to find a mutually satisfactory resolution of the problem. Any separation allowance, if an agreement can be reached, would be in the form of an option to the men.

Very truly yours,
/s/ Edmund J. Flynn
President

Understanding confirmed:
/s/ James R. Herman
Date: July 1, 1978

Skill Differences

Pacific Maritime Association
635 Sacramento Street
San Francisco, California 94120
July 1, 1978
Dear Mr. Herman:

In the July 1, 1978 Memorandum of Understanding the parties agreed to the elimination of the following categories from the list of clerks’ work: (i) Skill differentials: ‘Blade Trucker—Abord Ship, Blade Trucker—On Dock; Donkey Driver; Dragline Driver.

It is understood that if, in the future, any of these categories are restored they will be included at the skill rate that would have existed had they not been removed from the Agreement.

Very truly yours,
/s/ Edmund J. Flynn
President

Voluntary Travel System

Longshoremen
Pacific Maritime Association
635 Sacramento Street
San Francisco, California 94120
July 1, 1978
Dear Mr. Herman:

This will confirm our understanding reached during the 1978 ILWU/PMA negotiations with respect to the inclusion of Olympia in the Voluntary Travel System included in Attachment B to the Memorandum of Understanding between the parties dated July 1, 1978.

The initial review of all ports to be made on July 1, 1978 for the purpose of determining ports which will assume “limited work opportunity” status shall, irrespective of whether it qualifies under Item # X, include the port of Olympia.

Very truly yours,
/s/ Edmund J. Flynn
President

Understanding confirmed:
/s/ James R. Herman
Date: July 1, 1978

Maintenance and Repair

of Stevedore Cargo Handling Equipment

Pacific Maritime Association
635 Sacramento Street
San Francisco, California 94120
July 1, 1978
Dear Mr. Herman:

During the course of the 1978 ILWU/PMA negotiations we posed to you on June 24, 1978 the following question in regard to our agreement to include the maintenance and repair of all stevedore cargo handling equipment in Section 1:

Will Employers now operating under local agreements covering gear men continue in the future to operate under such agreements, continuing practices existing prior to July 1, 1978?*

The Union’s response to the above question was “yes” and we indicated that this understanding would be set forth by letter.

Very truly yours,
/s/ Edmund J. Flynn
President

Understanding confirmed:
/s/ James R. Herman
Date: July 1, 1978

Registration

International Longshoremen’s and Warehousemen’s Union
1188 Franklin Street
San Francisco, California 94109
July 1, 1978
Mr. Edmund J. Flynn, President
Pacific Maritime Association
635 Sacramento Street
San Francisco, California 94111
Dear Mr. Flynn:

During the course of negotiations for the 1978-1981 Coast Longshore and Clerks Agreements the ILWU set forth its position on Supplement III as follows: The Coast Committee will negotiate any circumstances agree to any layoffs.

3. The Coast Committee is committed to the principle of transfers from low work opportunity ports on a voluntary basis only.

The Coast Committee will retain its position on these questions through the term of the new agreement.

Very truly yours,
/s/ James R. Herman
Wm. T. Ward
Richard Wise

Section 1.54(a)

Pacific Maritime Association
635 Sacramento Street
San Francisco, California 94120
July 7, 1978
Dear Mr. Herman:

This letter supersedes my letter to you dated July 1, 1978 on the subject of Section 1.54(a).

In accordance with our agreement across the bargaining table concerning the deletion of the word “work” from Section 1.54(a) of the PCLCO, and the insertion of the word “crane” thereunder, the understanding was that in the WCLBA Long Beach Los Angeles area steady longshoremen, trained and qualified on bulldozers and/or skidloaders, would be used to operate such equipment.

If this statement conforms to your understanding, may we request that you so indicate by your counter-signature below.

Very truly yours,
/s/ Edmund J. Flynn
President

Understanding confirmed:
/s/ James R. Herman
Date: July 10, 1978

* Department of Labor proposed to the ILWU:

Wage Schedule

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