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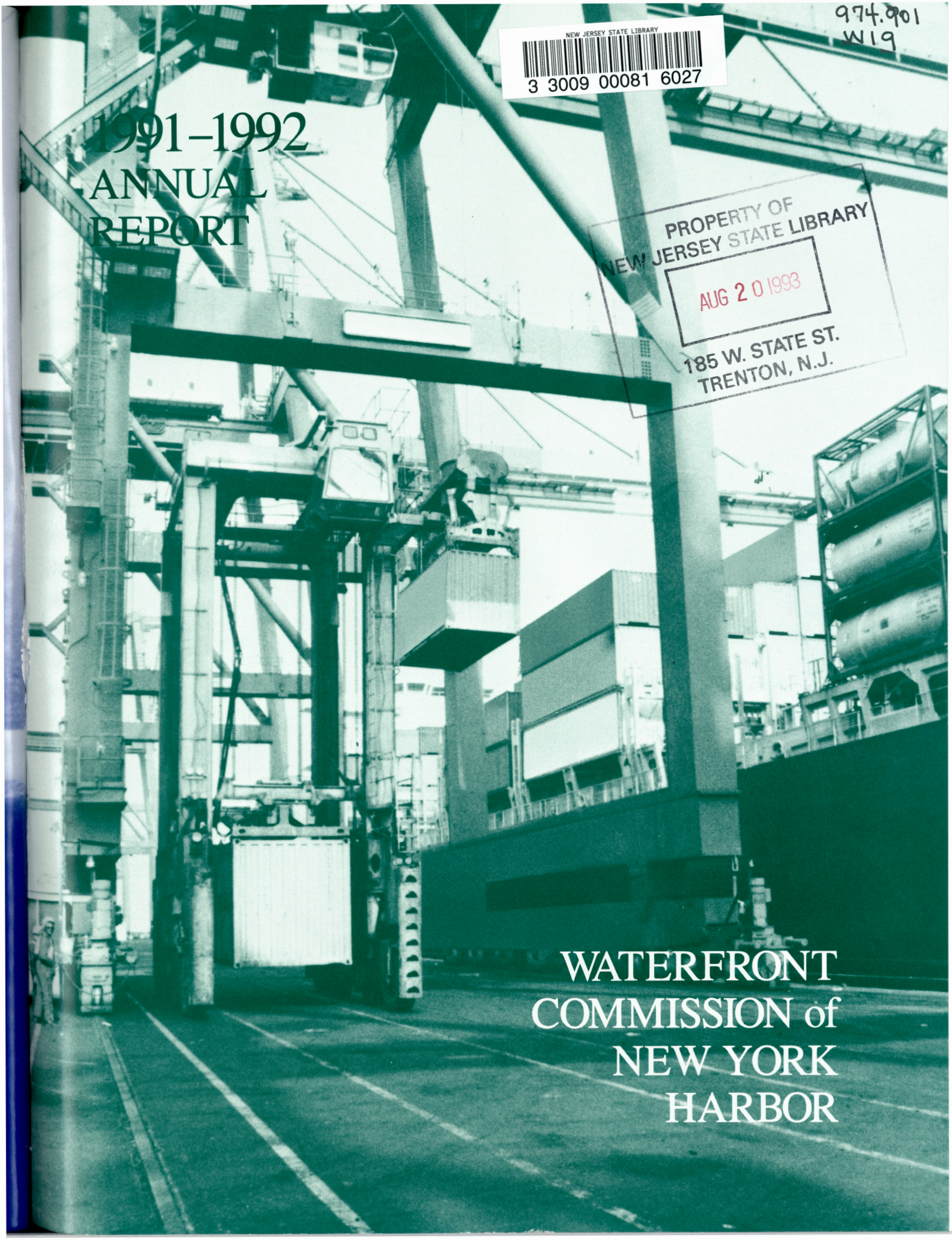

WATERFRONT COMMISSION of NEW YORK HARBOR



To the Honorable James J. Florio, Governor, and the Legislature of the State of New Jersey



To the Honorable Mario M. Cuomo, Governor, and the Legislature of the State of New York

We are pleased to forward the Annual Report of the Waterfront Commission of New York Harbor for its fiscal year 1991-1992. Contained herein are representative activities of the Commission, together with pertinent observations concerning its administration and enforcement of the Waterfront Commission Compact between the States of New York and New Jersey. The Commission has continued to perform its designated responsibilities under the Compact, with particular concern for the improvement of the overall economy and well-being of the bi-state Port.

ANNUAL REPORT
1991–1992

THE WATERFRONT COMMISSION OF NEW YORK HARBOR

AN INSTRUMENTALITY OF THE STATES OF NEW YORK AND NEW JERSEY

THE WATERFRONT COMMISSION

Founded by a Compact enacted in 1953 between the States of New York and New Jersey, the Waterfront Commission is a unique port agency with licensing, investigative, police and regulatory functions. The Compact was the essence of a comprehensive legislative program designed to rid the Port of New York-New Jersey of crime and corruption impacting on the daily lives of the dock workers and the economies of the two states.

In the early 1950s, the New York State Crime Commission, with the cooperation of various New Jersey public authorities, conducted an extensive investigation of waterfront conditions in the bi-state harbor, concluding that the Port was "in danger of losing its position of supremacy to which its natural advantages entitle it" and that the time had come for legislative action to cure the various evils exposed during the course of the probe. The Compact was enacted by both States on June 30, 1953, received Congressional consent shortly thereafter, and was approved by the President of the United States on August 12, 1953.

The legislation eliminated two corrupt practices prevalent on the Port's docks for many years. One, the "shape-up," was a system of hiring dock workers which oftentimes resulted in kickbacks, favors or borrowing from designated loan sharks as the price paid by a longshoreman to a hiring boss to obtain work. In its place, the States imposed regulation of the hiring process by the Commission through a system of government-operated employment information centers. The other nefarious practice, "public loading," required truckers to make monetary payments to groups of persons to load or unload cargo from their vehicles at the piers, even if the public loaders' service was not desired or needed. This system was unique to the Port of New York-New Jersey and thus put the harbor at a competitive disadvantage. Declaring that the public loaders served no valid economic purpose and operated as parasites exacting an unwarranted toll on the flow of commerce in the Port, the Legislatures banned the racket.

The Compact grants the Commission broad authority, including the power to:

- register longshorepersons, checkers and, by recent amendment, telecommunications system controllers;
- license stevedore companies, hiring agents, pier superintendents and pier guards;
- regularize the dock labor work force by balancing the number of eligible longshorepersons and checkers with the demand of stevedores and waterborne carriers for their services, and to periodically remove from the register those pier employees who fail to work or seek employment on a regular basis;
- temporarily register dock workers to meet special or emergency needs in the Port;
- operate information centers to oversee the hiring of longshorepersons, checkers and port watchmen and provide them with data concerning employment opportunities;
- investigate criminal activity in the harbor and collect and compile information concerning waterfront practices generally;
- prohibit persons with serious criminal convictions from holding positions in unions representing registered or licensed dock workers and in welfare funds or trusts administered by such labor organizations;
- issue subpoenas throughout both States to compel the attendance of witnesses, the giving of testimony and the production of other evidence; administer oaths; appoint police officers; confer immunity from criminal prosecution; promulgate rules and regulations; receive from other governmental agencies such data and assistance as will enable the Commission to properly perform its functions; and to
- make reports and recommendations to the Governors and Legislatures for the improvement of the conditions of waterfront labor and for the effectuation of the purposes of the Compact.

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Created as a "body corporate and politic" and an instrumentality of the states, the agency is composed of two Commissioners, one selected and appointed by the Governor of each state, with the advice and consent of the respective State Senate. The term of office is three years; the compensation being established by the appointing Governor. The Commissioners have the authority to appoint such officers, agents and employees as they deem necessary and to prescribe their powers, duties, qualifications and salaries. The Compact provides that the Commission shall act only by unanimous vote of both members.

Nicholas Scoppetta, a member of the New York and Federal Bars, has represented the State of New York on the Commission since May, 1979. Commissioner Scoppetta entered public service in 1962 upon his appointment as an Assistant District Attorney in New York County. He later served as Associate Counsel to the Knapp Commission in its investigation of police corruption in New York City, Special Assistant United States Attorney in the Southern District of New York, Commissioner of Investigation for the City of New York under two mayors, and as Deputy Mayor for Criminal Justice for the City of New York. He was also Director of the Institute of Judicial Administration and a Professor of Law at the New York University School of Law. He has been President of the Board of Trustees of the Children's Aid Society since 1987.

Since February, 1992, the State of New Jersey has been represented at the agency by Philip M. Keegan. President of a consulting and environmental engineering firm in Union, New Jersey, Commissioner Keegan was graduated from Villanova University with a Bachelor of Science degree. He saw prior government service as a member of the New Jersey General Assembly, and as a freeholder, purchasing agent and governmental officer for Essex County, New Jersey. Commissioner Keegan was formerly the Chairman of the New Jersey State Democratic Committee. He serves on the Boards of Trustees for the New Jersey Institute of Technology, Seton Hall Preparatory School and the New Jersey Alliance for Action.

For the past sixteen years, the Commission's position of Executive Director has been occupied by Leonard Newman. Director Newman, an attorney and a member of the New York and Federal Bars, served as an Assistant District Attorney in New York County for 32 years, his last 8 years as Chief of the Fraud Bureau. He also served as First Deputy Commissioner of New York State's Division of Criminal Justice Services, where he was directly in charge of the Office of Special Services. As such, he supervised the State's Prosecutorial Technical Assistance Unit, the Bureau of Municipal Police and the Juvenile Justice Institute.

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To discharge its functions, the Commission has established various divisions, all under the general management of the Executive Director.

The Executive Division is responsible for the execution of the policies formulated by the Commissioners. Under the guidance of the agency's Comptroller, it prepares the annul budget, which is submitted to each Governor for examination and approval. Pursuant to the Compact's provisions, the Commission's budgeted expenses are financed by assessments upon the employers of persons licensed and registered by the agency. The assessment is limited by law to a maximum of two percent of the gross payroll payments made by waterfront employers to longshorepersons, checkers, hiring agents, pier superintendents and port watchmen. The assessments, payable each calendar quarter-year, are in lieu of any charge for participation in the operation of the agency's Employment Information Centers and the processing and issuance of licenses and registrations.

The Executive Division also handles the agency's public relations and prepares and reviews legislation, rules and regulations, leases, contracts, resolutions and the annual and special reports to the Governors and Legislatures. Under the direction of the General Counsel, the Division conducts litigation and legal research.

Assistant Counsel assigned to the agency's Division of Law investigate infractions of the Compact, as well as violations of state and federal penal statutes pertaining to operations in the harbor. These attorneys, members of the New York or New Jersey bars or both, also conduct administrative disciplinary hearings to determine whether individuals and firms registered and licensed by the Commission have committed any illegal activity or have infringed the licensing standards enumerated in the Compact. In carrying out its assigned duties, the Law Division works closely with the agency's staff of investigative accountants and detectives.

The Division of Police is comprised of detectives, detective investigators and waterfront organized crime intelligence analysts. Personnel in the division probe criminal activity in the harbor, as well as conduct background and criminal history checks of persons and companies seeking registration or licensing from the agency. Its staff also appraises the cargo protection programs and facilities of the port's stevedores and shipping lines, and maintains the investigative and licensing files of the agency.

The Police Division is a member of various federal task forces investigating criminal activity in New Jersey and New York. Each detective and detective investigator in the division has full police power in both Compact states.

The Division of Licensing and Employment Information Centers has three primary functions. It is responsible for processing applications submitted by persons and companies for the various types of licenses issued by the agency. It is also charged with overseeing the waterfront industry's selection and hiring of longshorepersons, checkers and cargo guards. In addition, the Division administers the statutory programs designed to balance the harbor's labor force with needs of the employers, including the removal of those dock workers and pier watchmen who, without good cause, fail to work or seek work on a regular basis. Attorneys assigned to the Division conduct administrative trials to determine whether applications for licenses or inclusion in the dock workers' register should be granted or denied.

Commission accountants in the Division of Audit and Control play an essential role in the agency's investigative and regulatory responsibilities. They examine the financial and other records of persons and businesses under investigation by the Commis-

sion; audit the records of firms applying for licenses as stevedores; inspect the payroll accounts of firms employing licensed and registered waterfront employees to insure the accuracy of the assessment reports submitted to the agency; and enforce the record-keeping standards required of licensed stevedores by the Commission's regulations. Personnel of the division also participate in investigations conducted by the various task forces of which the agency is a member.

Providing the other divisions with stenographic, court reporting, clerical, library and messenger services is the Division of Administration. The division also maintains the agency's personnel and other administrative records.

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During its fiscal year ending June 30, 1992, the Commission operated with a staff of 107 employees. Over the past 10 years, the Commission, on its own volition, has decreased its staff by 70 employees or 40%. In performing its mandated functions, the agency disbursed $6,041,088, or $283,969 under the $6,325,057 budget approved by the Governors.

THE PORT OF NEW YORK-NEW JERSEY

As each weekday dawns on the New York-New Jersey waterfront, thousands of longshorepersons, warehouse personnel, truck drivers and other workers handle more than 160,000 long tons of oceanborne cargo moving to and from dozens of countries throughout the world. During 1991, the Port moved over 42,000,000 long tons of general and bulk cargo (a long ton is 2,240 pounds), much of it for consumption and use by the lucrative market of over 75 million consumers residing within the harbor's metropolitan and overnight truck and rail delivery areas.

The Port's facilities include 12 marine terminals, with 75 berths, 50 container cranes and a screened and licensed work force of over 7,000 persons. Some 4,600 ships, including over 1,350 container vessels, call at the harbor annually.

During 1991, the Port handled the equivalent of 1,186,256 twenty-foot cargo containers loaded with international freight, more than the combined totals of Norfolk, Portsmouth, Newport News, Baltimore, Philadelphia, Boston, Wilmington, N.C., Wilmington, Del. and Richmond. Including military shipments, Puerto Rico and Virgin Island cargo and "empties," the Port in 1991 handled a total equivalent of 1,865,471 twenty-foot containers. During that year, more than 353,000 motor vehicles were loaded or unloaded.

It is estimated that the Port of New York-New Jersey generates almost $18 billion annually in regional economic activity and that over 180,000 jobs are directly or indirectly related to the harbor's activities.

While total oceanborne tonnage declined some 6,850,000 from the prior year, in part because of the recession, exports of high value general cargo did increase by 10% from 1990. Indeed, in terms of dollar value, total oceanborne cargo rose slightly, from $50,223.2 billion in 1990 to $50,435.6 billion in 1991. The 1991 value per ton of the harbor's general cargo trade was $3,830, an increase of $283 from the previous year, and an all-time high. This is almost 67% above the national average of $2,295.

Servicing almost 100 shipping lines and accommodating thousands of trucking firms, the Port during 1991 handled 30,056,763 long tons of bulk cargo (27,191,658 in imports and 2,865,105 in exports) and 11,985,647 long tons of general cargo (7,671,757 in imports and 4,313,890 of exports).

* * *

Between October 1, 1990 and September 30, 1991, the waterfront industry's collective bargaining year, 4,440 "deep-sea" longshorepersons and cargo checkers registered by the Waterfront Commission (excluding those dock workers registered under amendments to the Compact to perform services incidental to the actual movement of waterborne freight) received a total of $225,125,826 in regular and overtime wages, vacation and holiday monies and guaranteed annual income payments.

This represented average annual earnings for the 4,440 pier workers of $50,704. During the prior contract year, ending September 30, 1990, 4,957 such "deep-sea" registered workers received $233,356,980, or an average annual income of $47,076.

"Deep-sea" longshorepersons are those dock workers registered and employed to physically move waterborne cargo; "deep-sea" checkers are registered dock workers engaged in the checking or custodial accounting of cargo and in various clerical functions on the piers.

* * *

At the close of the Commission's fiscal year on June 30, 1992, the Port's screened and licensed work force consisted of:

- 3,003 "deep-sea" longshorepersons, including 94 persons temporarily registered by the Commission as "hustler drivers" to alleviate anticipated shortages in such labor category during the 1992 summer vacation period;
- 1,107 "deep-sea" checkers, including 68 persons issued temporary registration by the agency to substitute for vacationing checkers during the summer of 1992;
- 2,092 persons registered to perform services incidental to the movement of oceanborne freight, such as the warehousing of cargo, the repairing of containers and the weighing of merchandise;
- 392 port watchmen and pier security officers;
- 303 pier superintendents (persons employed by carriers of freight or stevedore firms to supervise, directly or indirectly, the work of longshorepersons and checkers);
- 182 hiring agents (persons who, on behalf of stevedores or carriers, select dock workers for employment); and
- 14 telecommunications system controllers (employees of a joint board of management and labor who participate in various aspects of the telecommunications system of hiring "deep-sea" longshore and checker personnel).

In addition, as of June 30, 1992, there were 71 companies licensed by the agency as stevedores authorized to engage in the movement of waterborne freight or to provide services incidental to such movement, as the warehousing of cargo or repair of containers.

THIS YEAR

For the past several years the Commission has reported on various aspects and results of a three-year investigation by attorneys from the United States Attorney's Office for the Southern District of New York, Waterfront Commission detectives, special agents of the Federal Bureau of Investigation and U.S. Labor Department investigators into the alleged control by organized crime families over certain locals and union officials of the International Longshoremen's Association (the ILA). The probe resulted in a civil action brought against six ILA local unions, their Executive Boards, and thirty-two officers and former officials of the unions by the United States Department of Justice. Instituted under the federally enacted Racketeer Influenced and Corrupt Organization Act, known as "RICO," the suit maintained that persons associated with two crime families exercised domination over the six locals to conduct a pattern of racketeering activity.

As the Commission detailed, the federal government eventually settled its suit with each of the six ILA locals, imposing various degrees of control over these unions and compelling the removal from office of a number of union officials, including one who also held the position of General Organizer of the parent ILA (the third highest post in the International).

During the course of the action, most of the individual defendants in the suit either defaulted or entered into consent judgments with the government. It was only recently, during the past year, that a determination was made by the court as to the final four defendants, including the former secretary-treasurer and controlling officer of the ILA local in the Bayonne, New Jersey, area of the Port, who also served as one of the top officers of the International. While this officer had been convicted several years earlier for his participation in a scheme in which a stevedore company made some $175,000 in payoffs in connection with the stripping of cargo containers (a case in which the Commission's chief auditor broke a code revealing the pay-offs), his conviction had recently been vacated after it was found that certain wiretap tapes utilized in the prosecution by the federal government had not been properly sealed as required by law.

Nevertheless, the federal judge trying the civil RICO case concluded that the officer had committed multiple federal violations in connection with the pay-off scheme, had illegally accepted meals and entertainment from employers of ILA labor, and had embezzled certain salaries and reimbursements of expenses from the Bayonne local. For example, the court determined that after the local officer was elected to a high position in the ILA International, while retaining his position as Secretary-Treasurer of the local, he devoted only about 20 percent of his time on the local's business. Notwithstanding, his salary at the local was reduced by only a few thousand dollars. Further, the local's decision to retain a full-time salary for the officer after he became a part-time employee was made without the approval of the union's membership, despite a provision of the ILA's constitution requiring that the salaries of local officers were to be established by the membership. The court also found that the union leader's participation in the pay-off scheme caused financial injury to members of his local. The other three remaining defendants were found by the court to have aided and abetted the union officer in various aspects of his violations of law.

The court concluded that these four defendants participated in a criminal enterprise and were liable for civil penalties authorized under the RICO statute. In addition, the court ruled that, because of the union officer's misconduct, he was not entitled to receive pension benefits from the ILA Bayonne local.

* * *

Foundation of a Crime

On occasion truck drivers entering the piers to pick up cargo or empty containers see it as an

opportunity to "shop" for merchandise they are not authorized to remove.

Such was the case this year when Commission detectives arrested a driver for burglary, theft and the possession of burglar's tools when he attempted to steal over $310,000 worth of women's brassieres, as well as other cargo.

The driver scheduled to remove an empty container, entered a New Jersey waterfront terminal with his tractor. Some time later he was observed in an area of full containers with his tractor connected to a box housing almost 300 cartons of the brassieres. This container had been moved almost a mile from its designated storage spot at the terminal. Investigation further revealed that secreted in the tractor's side compartment were three power wave television antennas, valued at over $300.

Upon questioning by Commission officers, the driver stated that he arrived at the pier with another person whom he knew only "from the street" and could not identify and that this person was the one who actually committed the larceny. He admitted that the seals on the containers holding the bras and antennae were removed with a pair of bolt cutters, which were found in the cab of the tractor. A further search of the side compartment of the tractor disclosed a bag of seals utilized by the terminal operator.

A criminal background check of the driver disclosed that he was on probation for a federal offense and that he had been arrested several months previously for another burglary at a waterfront rail terminal. Both the instant case and the prior burglary charge are presently pending.

* * *

Joint Drug Cases

The Commission continued to participate with other law enforcement agencies in the interdiction of illegal drugs entering through the Port.

This year a joint investigation by the Commission's Police Division and the United States Customs Service resulted in the arrest of three members of an Asian dope smuggling gang operating out of lower Manhattan. The probe revealed that a large quantity of heroin, secreted in ceramic tiles, had been shipped in a container to the Port from Singapore. The container, originally stored in a Bayonne terminal, was subsequently transported to a Woodbridge, New Jersey, storage facility, where Commission detectives and Customs agents observed two men off-loading boxes of the ceramic tiles into a storage bin. These persons, as well as the individual who had arranged for the rental of the storage, were taken into custody. All three were charged federally with conspiracy to import and distribute some 77 pounds of heroin, having an estimated street value of $50 million. The cases are pending.

* * *

In another joint investigation with Customs, information was developed that four kilos of cocaine, which had entered the harbor on a cargo vessel from Ecuador, were to be transferred in the Port area. Officers from the Commission and Customs established a surveillance at a gasoline station in the Port Newark section of the Port, where it was expected the sale of the narcotic would take place.

Two prospective purchasers of the cocaine were observed arriving in separate vehicles. The occupant of the first vehicle made the "buy" arrangements and the cocaine was then placed in the second automobile. After both vehicles started departing from the Port area, they were stopped by the law enforcement officials and the drivers taken into custody.

Both men were charged with possession of the cocaine and intent to distribute and were ultimately convicted. One of them received a five-year prison term, while the other was sentenced to four years, with each of them being fined $10,000. The estimated street value of the drug was $100,000.

In addition to seizure of the drugs, legal proceedings were initiated against the two vehicles to have them forfeited for eventual law enforcement use.

* * *

Approximately 1,000 pounds of cocaine, valued at about $10 million, were confiscated as the result of an investigation conducted by Waterfront Commission officers together with U.S. Customs and the federal Drug Enforcement Administration.

The probe centered on two supposedly empty containers arriving at a Brooklyn waterfront terminal after being shipped from Ecuador. While reputedly empty, it was ascertained that large quantities of cocaine were stashed beneath the floors of each container.

The law enforcement team kept close watch on the containers which were ultimately transported from the pier to a warehouse facility in South Brunswick, New Jersey. Shortly thereafter, it was learned that the storage facility received instructions from an individual in South Florida to move the containers to still another location, a warehouse in Queens, New York.

A surveillance was then established at the Queens site. After the sound of mechanical tools was heard, apparently attempting to remove the flooring of the containers, and two Colombian nationals were observed exiting the warehouse with a bag, the officers moved in. The Colombian nationals were arrested for dealing in drugs and the containers with the 1,000 pounds of cocaine were seized. In addition, an arrest warrant was issued for the Floridian who had ordered the removal of the containers to Queens. This investigation is continuing.

* * *

Customs inspectors, uncovering some 235 pounds of marijuana concealed in two crates of merchandise shipped to the Port from Ghana, notified Commission police and requested assistance. A joint investigation was initiated.

The combined law enforcement team followed as the crates, left in place by Customs, were eventually moved from the harbor by truck to an Elizabeth, New Jersey, warehouse. Shortly thereafter, a panel truck arrived at the storage depot and the driver was observed loading the contents of one of the crates into that vehicle.

The Customs and Commission officers followed the truck to the Bronx, New York, where they stopped the vehicle. Under questioning, the driver stated that he picked up the load, as well as others in the past, for a Baltimore man, whom he believed was waiting at the driver's residence.

The officers proceeded to the driver's apartment but no one else was present. The driver was charged in federal court with importation of a controlled substance and his case is pending. Both crates of marijuana were seized, one from the panel truck and the other from the New Jersey warehouse.

* * *

Modulating Radio Thefts

With more than 350,000 motor vehicles moving through the Port each year, many of which are processed at the piers before delivery to automobile dealerships, the Commission pays particular concern to the security of such vehicles.

Last year the Commission detailed its arrest of two waterfront workers for the theft of eight AM/FM radio-cassette combinations, slated to be installed in automobiles imported from Japan.

Both men were ultimately admitted to the Union County, New Jersey, Pre-trial Intervention Program, in satisfaction of the criminal proceedings, on condition that restitution of the value of the stolen items be made.

Shortly after the arrest the Commission temporarily suspended the registrations of each of the dock laborers, barring them from continuing to work on the piers pending an administrative hearing to determine the ultimate status of their licenses. At the hearing, both men admitted the theft. The registration of each longshoreman was thereafter revoked for a year, with credit granted each for the period of time he was temporarily suspended from employment.

* * *

In another case this year involving a new car radio, Commission police received a report from a waterfront automobile preparation concern that one of their employees had just seen on the side of a road in the Port a radio that had been stolen from one of the vehicles in their custody.

Responding to the report, Commission officers observed the radio covered by a floor mat utilized in certain imported luxury European sedans. They thereupon established a surveillance.

Toward the end of the waterfront work day, the detectives witnessed a longshoreman employed as a driver for the auto preparation company drive his private vehicle just opposite the stolen radio and stop. He then opened the hood of his car, as if he had engine problems. After scrutinizing the area for several minutes, the dock worker proceeded to the covered radio and took possession. He was then taken into custody and an administrative proceeding instituted to determine what action should be taken with respect to his longshoremen's registration. The case is pending. The value of the stolen radio is over $800.

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The theft from the piers of new automobile radios is not limited to longshoremen; occasionally the very persons employed to safeguard the cargo commit the crime.

This year, in an administrative licensing proceeding, the Commission charged two licensed port watchmen with the theft of an AM/FM cassette radio, valued at over $1,100, which had been removed from a new imported vehicle being temporarily stored at a waterfront terminal. The larceny took place in the early morning hours, when one of the guards was not even scheduled to work his shift. Both guards have had their licenses suspended pending the final determination of the hearing.

* * *

A Lot of Evidence

As related in its last Report, an intensive investigation by the Commission, the United States Customs Service and the federal Drug Enforcement Adminis-

tration resulted in the indictment of a number of members of two affiliated criminal organizations for the importation of cocaine and marijuana and the thefts of various shipments of oceanborne freight. The leader of one of the gangs ran the drug and theft operations from his wholesale coffee business located near the Brooklyn waterfront.

This year the gang boss was found guilty in the United States District Court for the Eastern District of New York of 12 counts of racketeering, involving cocaine trafficking and receipt of stolen property, and including the possession of 8 firearms. Five other members of the gang were also found guilty of various racketeering charges. One of the alleged participants was found not guilty and three others are presently awaiting trial. Much of the evidence developed in the case came from an informant, the son of a convicted hijacker who was an associate of the gang boss and ultimately one of the convicted defendants. The informant, himself an admitted thief, relayed information on the gang's activities to the Commission after he was arrested for the hijacking of a load of pistachio nuts.

Also this year, as an outgrowth of the case, the federal government instituted civil proceedings to seize and have forfeited various real properties and other physical assets alleged to have been utilized to facilitate illegal transactions by the defendants.

Among these properties was a building and lot in Brooklyn, New York, owned by the brother of the gang boss. The seizure proceeding alleged that on different occasions bags of stolen coffee had been delivered to the premises.

During the course of the forfeiture action, the brother of the gang boss, seeking to avoid the permanent loss of his real property, entered into a consent decree, as a result of which he forfeited $140,000 in cash.

For its significant participation in the case the Commission was awarded $89,600 of the monies forfeited. A check for that sum was presented to Waterfront Commissioner Philip M. Keegan by the United States Customs Supervising Agent in charge of the investigation.

* * *

Canadian Cognac Caper

The cooperative effort of detectives of the Commission and the Port Authority of New York and New Jersey with Canadian law enforcement officials led to the arrest by the Montreal Police Department of eight Canadian nationals for possession of $500,000 of stolen merchandise, including 88 cases of cognac misappropriated from a New Jersey pier.

The Commission received notification from a steamship company that two containers, filled with brandy imported from France valued at $387,000, had been unlawfully removed from its waterfront terminal. Two unknown truck drivers appeared at the pier and portrayed themselves as legitimate drivers of a Canadian trucking firm authorized to pick up the containers. Apparently having the necessary documentation to haul away the cargo, the drivers were processed at the terminal and allowed to leave the pier with the containers. Some ten days later, the Canadian trucking company discovered that the two containers, part of a number of containers being picked up at the New Jersey terminal by its authentic drivers, could not be located.

Investigation disclosed that the stolen containers had been transported over the United States—Canadian border apparently without difficulty. Over a month later, one of the containers, empty of its cargo, was recovered by Montreal police. The other container, also empty, was found in Canada several weeks later.

Police officials of the Waterfront Commission and the Port Authority ultimately developed information that three persons suspected in the theft had recently come into large sums of money. One of them was employed as a dispatcher for the legitimate trucking concern and had advance knowledge of the proposed transfer of the liquor three days before the theft. It was also discovered that he was wanted by Canadian authorities for uttering a forged document. In addition, one of the other suspects had a criminal history of theft.

Other information generated by the Commission and Port Authority during the probe indicated that a certain warehouse in the Montreal area was being used to house stolen goods. Acting upon this data, investigators from the Montreal Urban Community Anti-Gang Squad raided the warehouse, making eight arrests and recovering some $500,000 worth of stolen property. While much of the merchandise was the result of hijacks in the Ontario region, 88 cases of the cognac stolen from the New Jersey pier were also recovered. Other goods seized included stolen luggage, cigarettes and aluminum.

* * *

A Union Leader's Fringe Benefit

Throughout its history, the Commission has investigated and disciplined dock workers who have engaged in payroll cheating: the practice of leaving the piers during working hours without permission and thus receiving compensation for "phantom work." The agency has long let it be known on the docks that such activity would subject the offenders to suspension or revocation of their licenses.

While the practice has become less prevalent in recent years, from time to time it does reoccur.

The Commission developed a lead in one such case this year involving a high ranking longshore union official who has since been removed from office as a result of the waterfront "RICO" case described earlier. Receiving information that several registered longshoremen were performing home repairs at the residence of a female friend of the union officer, Commission detectives established a surveillance of the premises.

The surveillance soon revealed that three registered dock workers were performing various renovative functions at the house, including the installation of a wall safe, while they were all being paid by their waterfront employers for supposedly working at their respective piers. The Commission ascertained that none of the longshoremen had received permission from their employers to perform work at the residence. Significantly, the union leader and his female friend were present while the alterations were being carried out.

After being questioned, all three dock laborers acknowledged their awareness of the union leader's relationship with the female owner of the premises and admitted that they performed the work at the request of the union leader or one of his close associates. Pending disposition of the case, one of the longshoremen applied for and received a disability pension from the waterfront industry. The other two made restitution to their employers for the wages paid them while they were absent from the piers and had their registrations suspended by Commission action.

* * *

Pier Chase

Receiving a report from a terminal operator that its pier guards had just seen two unauthorized men in a white tractor parked near containers at its pier, Commission detectives quickly responded to the scene.

After being spotted by the watchmen, the two men had climbed into the tractor, and fled the area. The guards pursued the tractor but lost sight of the men when they abandoned the vehicle, scampering off by foot.

On the chance that the suspects were still in the vicinity, the Commission detectives, together with Port Authority police, thoroughly checked the area. Ultimately, two men fitting the description were observed several blocks from the terminal and taken into custody. After questioning, and being advised that fresh footprints were found in dirt where the tractor had been abandoned, one of the men admitted that he had been in the tractor.

Further investigation disclosed that ninety pairs of women's slippers imported from China and valued at $450 had been removed from a cargo container and secreted in the tractor. A check on the tractor also revealed that it, together with a container holding $90,000 worth of men's coats, had been stolen from a New Jersey waterfront facility two weeks earlier.

Both men were charged with burglary, theft and receiving stolen property. One of the men had previous convictions for larceny, burglary, possession of dangerous drugs and receipt of stolen property, while the other had a record of convictions for assault, possession of dangerous drugs and obstructing police. The criminal case against both men is pending.

* * *

Organized Crime Indictment

The Commission's participation in an extensive investigation of organized crime figures was recognized this year by the United States Attorney for the District of New Jersey. The probe led to a 21-count indictment of eleven members of two crime families for racketeering, including two murder conspiracies, and involving extortion, arson and kidnapping schemes.

Among the persons charged in the case was a ranking caporegime and reputed acting underboss in a major organized crime family. According to information developed in the case, this "capo" had taken over certain criminal activities on the New Jersey side of the Port which had been under the control of a long-time criminal figure who was murdered a few years ago.

The United States Attorney thanked the agency for its "invaluable assistance . . . rendered at critical points during [the] long and difficult investigation." Citing the Commission's "resourcefulness and professionalism," the United States Attorney paid particular tribute to the intelligence perspectives and evidentiary leads developed by the agency detectives assigned to the case which, he stated, "materially enhanced [the] prosecution."

* * *

As never before, the law enforcement community has been engaging in cooperative efforts to curtail labor union corruption. In one recent example, the Commission assisted in an investigation conducted by the New York County District Attorney's Office and the New York State Police of labor shakedowns and thefts at a major convention and exhibition center in New York City. As a result of the probe, over 20 persons were indicted for such various crimes as bribery, theft, assault and using

Dock Blacklist Looms in Wake of NY-NJ Racketeering Case

By BRUCE VAIL
Journal of Commerce Staff

NEW YORK — A federal judge's ruling that labor rackets had infested the New York-New Jersey waterfront in the 1980s sets the stage for imposition of a controversial blacklist that could bar some 125 longshoremen from working on local docks.

The decision by Judge Leonard B. Sand said at least four men are liable for civil penalties under the Racketeer Influenced Corrupt Organizations Act, but it has broader implications on the waterfront and beyond, according to defense lawyers and law enforcement officials.

"That is the most important weapon (for cleaning up the docks) if they can succeed in using it," said Leonard Newman, executive director of the Waterfront Commission of New York Harbor, a police agency responsible for suppressing organized crime in the New York-New Jersey harbor.

"It certainly has sinister overtones," for New York-area members of the International Longshoremen's Association, according to Ernest Matthews, an attorney who represented some of the dozens of defendants in the case.

By ruling that a widespread racketeering "enterprise" existed, Mr. Matthews said, Judge Sand has validated the government's claim for "relief." Such relief is likely to come in the form of a list of some 125 individual ILA members who will be barred from the waterfront because of their reputed associations with organized crime. Government prosecutors proposed such a list last year in an agreement settling charges against the New York Shipping Association, a group of waterfront businesses that employ ILA members.

Mr. Matthews said such a list would violate the union's collective bargaining agreement and infringe on the constitutional rights of ILA members since none of the 125 people named on the list have ever been convicted of any crime.

"To me, that's a step toward the gulag," Mr. Matthews said.

Mr. Newman predic[ts] there would be protracted lega[l wra]ngling over the blacklist but that Judge Sand's decision would help the government in enforcing it.

The judge's ruling came last week as one of the final proceedings in a massive 1990 civil case brought by federal prosecutors against local leaders of the ILA and reputed members of the Mafia. H[is] decision specifically addressed the cases of the last four defendants. The charges against more than 60 other defendants have been settled by consent decrees, consent agreements or defaults.

Because of those consent agreements, Mr. Sand's ruling directly affects only four New Jersey men who were found guilty of civil RICO violations. The four, Donald Carson, Anthony Gallagher, George Lachnicht and Venero Mangano, will face further legal action to determine the dollar amount of their liability in the case.

Mr. Carson and Mr. Lachnicht are former officers of ILA Local 1588 in Bayonne, N.J., and Mr. Gallagher is a former waterfront trucking executive. Mr. Mangano is a reputed member of the Genovese faction of the Mafia.

Mr. Carson, who also served as

DOCKWORKER, PAGE 3A

Dockworker Blacklist Looms In Wake of Racketeering Case

CONTINUED FROM PAGE 1A

the third-ranking official of the international ILA organization, was one of highest profile defendants among the union men charged. Other high-profile ILA defendants were, John Bowers, president of the union, and Anthony Pimpinella, general organizer.

Although the original RICO suit sought to bar Mr. Bowers from union office, a 1992 consent agreement allowed him to remain as president. Mr. Pimpinella, also a high official of Brooklyn Local 1814, has given up all union office.

The Waterfront Commission's Mr. Newman said a consent judgment reached with Local 1814 was "a terrific success" for the government because it removed Mr. Pimpinella and installed an independent "monitor" to oversee the of the Brooklyn unit, which is the largest single local ... union

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NEWS
Department of the Treasury
U.S. CUSTOMS SERVICE

Newark, N.J. - U.S. Customs officers arrested three individuals and seized 77 lbs. of heroin, worth an estimated street value of $50 million, it was announced today by Bill Meglen, Special Agent-in-Charge, Newark, and Kathleen Haage, Area Director, Newark.

The heroin, which originated in a shipment invoiced from Singapore, was expertly concealed in thin ceramic tiles, and, following the ship's arrival in Oakland, California, arrived in Port Newark by rail in late February. Through Customs automated cargo selectivity system, Customs inspectors targeted the 20' container, consigned to Straits Trading Corp. 39 White Street, N.Y.C., for examination.

During the unloading of the container, the inspectors noticed discrepancies in the shipment; x-ray of the cartons indicated distinct shapes within the tiles; upon breaking open these tiles, inspectors found two flat plastic packets, each containing approximately 50 grams of heroin. Intensive examination of the cargo - approximately 1800 cartons, each containing sixteen 4" x 9" glazed ceramic tiles - revealed 22 cartons filled with the heroin-packed tiles, and another carton containing 8 regular tiles, and 8 containing the contraband, for a total of 77 lbs. of heroin. The "loaded" tiles differed in appearance from the ceramic tiles, and were specially designed with two hollow spaces large enough to conceal the 50-gram-size packets.

Further investigation and surveillance by Customs and DEA special agents, with the cooperation of the Newark and Woodbridge, N.J. Police, the Waterfront Commission, and the Middlesex County Prosecutor's Office, led to the arrests of Hooi Poh Kong, age 33, 8 Rivington St., N.Y.C., and Tran Tony Cam, age 26, 221 E. Broadway, N.Y.C., at a self-storage facility in Woodbridge, N.J.; Lim Eng Yit, age 34, 3144 42nd St., Astoria, Queens was arrested Friday night in N.Y.C.

U.S. Customs Commissioner Carol Hallett in recognizing this as a significant narcotics seizure in New Jersey, noted that "...the Newark Area has grown as a major port of entry, given its strategic advantage as a transportation hub for all commercial cargo, such as large container facilities at its sea and airports, a national railroad terminus, and numerous freight and trucking stations. Unfortunately, drug traffickers are beginning to recognize its commercial advantages as well." In FY 1991 Customs seized over 90 lbs. of heroin in the Port of Newark.

The defendants face charges of conspiracy, importation and possession of narcotics; they will be prosecuted by the U.S. Attorney, Newark District.

NEW YORK POST,



New York Post: Michael Norcia

COPPED POT: *Agents yesterday unload huge shipment of marijuana taken from Colombian ship docked at Brooklyn pier.*

Cops smoke out 8 tons of pot in B'klyn

By KIERAN CROWLEY

Eight tons of marijuana, hidden inside a huge crate full of shirts and shipped here by Colombia's Medellin drug cartel, have been seized by authorities in the city's second-largest pot bust ever, authorities said.

The scheme came to light after undercover cops posing as mafia drug buyers infiltrated the operation. Nine arrests were made.

The officers were amazed when the suspects "offered to leave a baby as hostage" with them as a show of good faith while the deal was going down, a source said.

"We told them that was not necessary — we do things a little bit differently in the U.S," he said.

The pot, worth $19 million on the street, was seized on Jan. 9 from a Colombian ship docked in Brooklyn.

The 230 bales of pot were inside a container and covered with boxes of shirts.

The dealers even wanted to sell the shirts, said FBI special agent William Doran. "They were planning to unload the shirts but the shirts ended up taking them to th[e] cleaners," he said.

THE JERSEY JOURNAL:

Hijack suspects nabbed at scene

By Stan H. Eason
Journal staff writer

Two Jersey City men charged with hijacking a trailer filled with $90,000 in clothing were apprehended Wednesday night in Elizabeth after they returned to the scene of the crime, officials said.

Kyle McGowan, 28, and Jerry Short, 32, both of Bayview Avenue, were arrested by officers of the Waterfront Commission of New York and New Jersey after they were seen attempting to steal cargo, police said. They were caught after being observed by private guards at Berth 80 in Port Elizabeth, where they were openin[g] containers of waterfront cargo, police said.

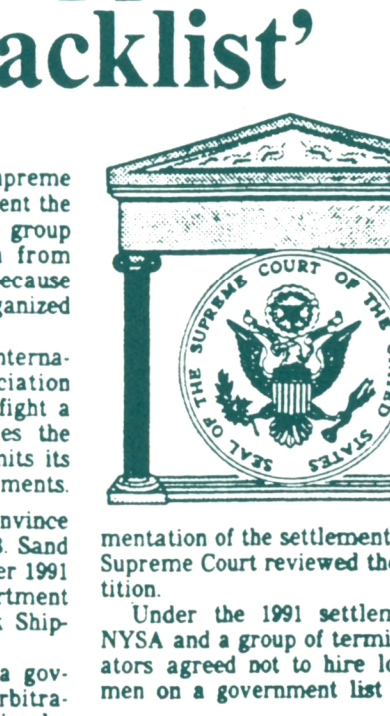
After they realized they were being watched, McGowan and Short fled in a tractor, which they later abandoned, police said. the tractor had been reported stolen two weeks ago from the Port, along with a trailer containing $90,000 worth of imported clothing, police said.

The were charged with burglary, theft and receiving stolen property. They are being held in Union County Jail in Elizabeth, pending arraignment.

The Journal of Commerce
and Commercial

Dockers Union Loses Appeal On 'Blacklist'

By TIM SHORROCK
Journal of Commerce Staff



WASHINGTON — The Supreme Court Monday refused to prevent the government from banning a group of New York longshoremen from working on the waterfront because of their alleged ties to organized crime.

The decision leaves the International Longshoremen's Association with one last opportunity to fight a court settlement that includes the ban, which the union says limits its ability to enforce labor agreements.

ILA lawyers will try to convince U.S. District Judge Leonard B. Sand not to implement the December 1991 settlement between the Department of Justice and the New York Shipping Association (NYSA).

Judge Sand, who granted a government injunction banning arbitration on the case, had delayed implementation of the settlement until the Supreme Court reviewed the ILA petition.

Under the 1991 settlement, the NYSA and a group of terminal operators agreed not to hire longshoremen on a government list of work-

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ers suspected of ties to organized crime even if those workers have never been convicted of a crime.

The union calls the ban, which applies to the entire Port of New York and New Jersey, a "blacklist." It claimed that the NYSA had no right to agree to ban union workers since the ILA-NYSA master contract guarantees ILA members the right to file grievances before they can be fired.

By letting stand a lower court decision upholding the settlement, the Supreme Court has, in effect, agreed that the federal statute used to root out union corruption — the Racketeer Influenced and Corrupt Organizations Act (RICO) — takes precedence over a key provision of U.S. labor law, ILA lawyers said Monday.

"The courts have taken away our rights to enforce collective bargaining agreements," said Ernest L. Mathews, an attorney for the ILA. "They're letting RICO take precedence over everything in their desire to get rid of organized crime. This is an unfortunate trend, and only Congress can stop it."

The ILA had argued that the decision upholding the settlement violated a provision of the Norris-LaGuardia Act banning government injunctions in labor disputes. It asked the Supreme Court to review the case "to rein in the misguided enthusiasm of the lower courts which use RICO to hack that great road through the law."

Mr. Mathews would not speculate on how the court decision might affect labor relations in general. Several attorneys for AFL-CIO unions expressed concern about the case Monday but said they could not determine whether it would allow the federal government to use RICO to pre-empt labor laws.

But an official with an organization that monitors labor rights said the lower court decision was fair.

"The decision was written narrowly, which is appropriate," said Susan Jennik, executive director of the Association for Union Democracy. She said the consent agreement between the U.S. government and the NYSA "contemplates due-process guarantees" for any members that are put on the list.

John Bowers, president of the ILA, was not available for comment Monday. An official with the NYSA said the employer group would not comment.

Last year's settlement between Justice and the NYSA brought to an end a 22-month federal prosecution of ILA members. As part of the agreement, three top ILA members resigned from their positions in the union.

In return for being removed from the lawsuit, the NYSA agreed not to employ about 130 workers believed by the government to be members of organized crime.

The union, arguing that the settlement violated its contract with the NYSA, sought to have a labor arbitrator hear its claims. But Judge Sand granted a government request for an injunction banning the arbitration. The injunction was upheld by the appeals court.

The contract grievance was filed by Brooklyn ILA Local 1814. In August, the ILA appealed the settlement to the Supreme Court.

[I]LA suit to resume [a]fter session called [o]ff mysteriously

By Steven Kalcanides
Journal staff writer

The government's civil suit against International Longshoremen's Association Local 1588 of Bayonne is to reconvene this week after a session scheduled for last Friday was canceled with no explanation.

A former member of ILA Local 1588 may take the stand this week, and two officials of a Jersey City waterfront firm are scheduled to testify in the case in U.S. District Court on Friday.

Meanwhile, the government's case against ILA Local 1814 of Brooklyn is expected to conclude shortly. The defense in the case is scheduled to begin calling witnesses on its behalf the week of Dec. 16.

Last month, Jay Zimmern, general manager of Prolerized Schiabo-Neu, took the stand briefly in the 1588 case, which is being heard by U.S. District Judge Leonard B. Sand at the federal courthouse in downtown Manhattan.

Zimmern and another government witness are scheduled to testify Friday, while Jude James Tiner, a former membe[r] of the Bayonne local, is scheduled to appear in court the week with his attorney.

Tiner was last in court Oct. 2[?] with his attorney, Bruce Maffeo who was able to obtain a two-week delay while he reviewed some government documents and spoke to his client.

Tiner had first taken the stand in mid-October, but invoked his Fifth Amendment right against self-incrimination. In doing so, he refused to answer any questions from government attorneys.

Although Tiner is not named as a defendant in the government's case, an FBI affidavit describes him as an associate of George Weingartner, in turn identified as an associate of the late reputed mobster John DiGilio.

Last Thursday, the court heard testimony from five Waterfront Commission investigators, including a 28-year veteran who identified Bayonne resident Joseph "Pepe" LaScala as a Genovese crime family soldier.

The investigators testified that they had conducted hundreds of hours of surveillance in Bayonne, specifically of LaScala; George Weingartner, a reputed associate of DiGilio's, and Joseph V. Lo Re, a hiring agent who works for Universal Maritime Services at the Bayonne Military Ocean Terminal.

Assistant U.S. Attorney Claude Millman told Judge Sand last week that the government will argue that Lo Re, a representative of management in that he works for a waterfront employer, had no business at the ILA Local 1588 office on Kennedy Boulevard and 21st Street, where he has been seen.

Millman also told Sand that Lo Re's job as a hiring agent does not require much of his time and that the government is contending the position allows Lo Re to spend considerable time off the military base.

Hiring agents do the hiring for a stevedoring concern or a shipping line, according to the Waterfront Commission, which is required to license people who work on the waterfront.

The Star-Ledger

8 tons of pot, 9 cartel suspects seized in waterfront raid

By ANTHONY F. SHANNON

Federal and municipal law enforcement officers from New Jersey played key roles in the seizure of a near-record eight tons of marijuana, valued at $19 million, and the arrest of nine accused members of the Colombian Medellin drug cartel, authorities said yesterday.

The year-long investigation, dubbed "Operation Seaload," targeted an organization of drug importers and wholesale distributors responsible for smuggling large quantities of cocaine and heroin into the United States, federal agents said.

It included extensive court-authorized electronic surveillance that tracked the activities of the suspects immediately after a vessel called the "Candia" arrived Jan. 4 at a pier in Brooklyn from Buenaventura, Colombia, according to Martin Ficke, assistant special agent in charge of the Newark office of the U.S. Customs Service.

The containerized load of some 230 boxes of marijuana was transported to a warehouse in the Port Newark-Elizabeth area, where it remained under constant surveillance until it was seized when the arrests were made Thursday, authorities said.

Ficke said Customs and FBI agents in Newark, along with officers from the Newark and East Orange police departments, "maintained a constant surveillance on the container and the warehouse."

"We were in a position to videotape the suspects as they came and left the building," the Customs official said. "The FBI and New York police intercepted telephones calls and we learned from them exactly what was going on and where the marijuana was intended to go."

The suspects also were videotaped going into residences in the Elizabeth area, but the significance of those visits has not yet been determined, officials said.

Fiske said authorities held off making the arrests and seizing the marijuana until Thursday because "we were hoping to get word of another importation."

"That never occurred," he added. "It got to a point where a decision had to be made to take down all the principals in the organization."

The marijuana, Fiske said, was apparently scheduled for distribution in the New York metropolitan area and northern New Jersey. He declined to identify the exact location of the warehouse because the investigation is continuing.

Authorities believe the suspects had conspired to distribute cocaine and heroin in addition to the seized load of marijuana, according to the complaint filed in U.S. District Court in Brooklyn.

The investigation was conducted by the Organized Crime Drug Enforcement Task Force, which also included members of the Immigration and Naturalization Service and the Waterfront Commission of New York Harbor.

The marijuana seizure was the second-largest ever made in New York, officials said. It will be burned after appropriate tests have been completed, Fiske said.

Two of the suspects gave addresses in Colombia, while the others listed residences in Queens and Long Island.

All were charged with conspiracy to possess and distribute narcotics. If convicted, they face [pri]son terms up to 14 years and fines up to

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Life With Father

Feds hope son's testimony results in drug conviction

By Peg Tyre
STAFF WRITER

This morning, 24-year-old Scott Gazzoli is to take the witness stand in U.S. District Court in Brooklyn.

He will raise his right hand, swear to tell the truth, then tell a story that prosecutors hope will send his father, and his father's business associates, to prison for racketeering.

Scott Gazzoli is expected to tell the jury how his father, Louis Gazzoli, a convicted hijacker, and his business associate, a wealthy, well-connected coffee wholesaler and reputed Genovese associate named Anthony Viola, conspired to import hundreds of pounds of cocaine and tons of marijuana through the Brooklyn docks. Law-enforcement sources said Gazzoli is expected to testify that Viola used his coffee business, Blue Chip Coffee and Cafe Nadia, in downtown Brooklyn as a legitimate cover to receive truck loads of stolen merchandise from 1989 through 1991.

That testimony, along with wiretap recordings, tapes Gazzoli secretly made of Viola allegedly discussing shipments of drugs and stolen property, and other testimony from informants and former hijackers, provides a fascinating glimpse of a complicated network of legitimate businesses and shady characters who have, according to prosecutors, turned the Red Hook and Port Elizabeth, New Jersey waterfront into a pot of gold for criminal organizations.

Despite testimony from agents from the Drug Enforcement Administration, the Waterfront Commission of New York Harbor and U.S. Customs, the prosecution's case turns on Scott Gazzoli and whether the admitted thief, who became a protected witness after he was arrested for hijacking a truckload of pistachio nuts in 1989, can persuade the jury he is a reliable witness.

Viola's attorney, William Kunstler, says his client knows about criminal operation on the waterfront but has not broken any laws. "His business connects him to the docks, he sees things, and he has a big mouth but he is not a criminal," Kunstler said.

Louis Gazzoli's lawyer, Frank Lopez, calls Scott Gazzoli's testimony against his father "tragic."

But in opening statements last month, lead prosecutor Eric Friedberg contended that Viola's multimillion-dollar coffee importing, roasting and distributing business was routinely supplemented with shipments of stolen coffee, as well as truckloads and boatloads of clothing, VCRs, cinnamon, pepper, lamps, cocoa, luggage and beer.

Some of the stolen property, according to court testimony, allegedly was robbed from truckers as they slept in truck stop motels. Other property, according to testimony, was removed from Pier 3 at the Red Hook marine facility by the drivers and taken to warehouses in Brooklyn and or the Blue Chip Coffee warehouse on Sackett Street.

Prosecutors contend that Viola and his crew were so adept at stealing from the docks that they were contacted by Colombians looking to import cocaine and marijuana without detection.

In opening statements, Friedberg accused Viola of helping Colombians to smuggle 650 pounds of cocaine stowed away in a shipment of Colombian coffee and 34,000 pound of marijuana hidden in a shipment of latex gloves and bar glasses.

New York Newsday

On the Waterfront: Union, Feds Settle

By M.P. McQueen
STAFF WRITER

One of six local labor unions of the International Longshoremen's Association that were sued last year by the U.S. Justice Department has settled with the government.

The settlement came 13 months after the department filed the suits in what it described as an attempt to break the grip of organized crime on the New York-New Jersey waterfront.

U.S. Attorney Otto G. Obermaier said the settlement with ILA Local 1804-1 in North Bergen, N.J., provides for a court-appointed monitor to oversee union affairs for three years and supervise all elections of local union officers through the 1997 general elections. The monitor will be given broad powers to investigate misconduct and file union disciplinary charges against officers, members, agents and employees of the union for violations of the law or union rules, Obermaier said.

The settlement also strengthens controls on the union's finances to prevent funds from being diverted for illegal purposes, he said. U.S. District Court Judge Leonard Sand approved the settlement Friday.

Local 1804-1, in the settlement, did not admit to any wrongdoing, but acknowledged that two former local officials were convicted in the past on criminal charges involving organized crime. No one answered a phone call to the union headquarters in New Jersey yesterday afternoon.

The settlement explicitly reserved the right of the government to bring future criminal, tax and other proceedings against union officers, Obermaier said.

At the announcement of the lawsuit in February 1990, Attorney General Dick Thornburgh said the government's aim was "to put an entire economic marketplace, the New York-New Jersey waterfront, under court supervision." Other locals named as defendants were ILA Local 1814 in Brooklyn; Locals 1809, 1909 and 824 in Manhattan, and Local 1588 in Bayonne, N.J.

Waterfront Commission reports success fighting crime

By Steven Kalcanides
Journal staff writer

Since the early days of the Waterfront Commission in 1954, the bi-state agency has played a key role in fighting crime and theft on the piers of New [York an]d New Jersey, which are still [...] activity.

[...] recent [...] than $230,000 worth of stolen copy machine parts and the arrest and indictment of a truck repair firm owner, according to the report.

The investigation began following the theft in Port Elizabeth of a 40-foot container that was loaded with 375 cartons of copy machine replacement parts that had been imported from Japan, said the commission.

The investigation led the probers to [a] Brooklyn industrial complex where [the co]ntainer was spotted, said [...] of the container and illegal possession of stolen merchandise, the report said.

In another case, a Jersey City longshoreman was accused of plotting to have a supervisor's legs and kneecaps broken by a hired ex-convict because the supervisor had reprimanded him for eating in a work area, the report said.

The alleged plot was thwarted last year by an undercover commission detective who posed as a car washer and detailman and was present when the revengeful longshoreman approached his co-workers, the commission said.

The 23-year-old longshoreman had [been e]mployed at the time as a water[front ...]man at BMW of North [... C]ity, according [...]

The longshoreman allegedly proposed to the co-workers and the undercover detective that they contribute money toward hiring an ex-convict for $500 to physically disable the supervisor, according to the commission.

With the assistance of the State Police and the commission detective, now wired with a tape recorder, the man allegedly accepted $100 from the detective to go toward the scheme, all while the tape recorder was working.

The man was subsequently arrested on charges of conspiracy, while still in possession of the $100 paid to him by the detective, the report said. Each of the five $20 bills had been marked.

The commission has since revoked the man's temporary registration as a longshoreman, saying his presence on the piers constituted a danger to the public peace and safety. A criminal case is pending, according to the report.

Another reported theft involved missing aluminum trailer wheels, valued at more than $700 each. A commission investigation revealed that one of the wheels had been secreted under a work bench in a truck stationed at the pier, according to the report.

After questioning longshoremen assigned to repair equipment, commission detectives learned that a maintenance man had allegedly stolen one of the wheels, the report said, and other wheel parts showed up in his car.

The commission revoked the man's registration for 45 days.

fictitious identities to avoid income tax liabilities. In announcing the outcome of the investigation, the District Attorney thanked the Waterfront Commission and several other agencies for their assistance.

* * *

Litigation

In its Annual Report two years ago the Commission recounted the evolution of its mandate to oversee the hiring of dock workers to provide longshorepersons, checkers and pier guards with data concerning employment opportunities and to prevent abuses in waterfront hiring.

Originally the Commission established employment information centers throughout the Port to accommodate the thousands of dock workers then available for work. In the early 1970s, through the use of computers, a prior day ordering system for dock employees was established, gradually reducing the number of laborers required to appear at the centers for work assignments. In recent years, primarily because the containerization of waterborne freight reduced the need for large numbers of workers to move cargo, the longshore work force declined. Accordingly, two years ago, to replace the personal appearance system, which had become inefficient and a costly method to secure the relatively few dock workers employed to fill in for absentees, the Commission, together with the waterfront industry, established a comprehensive telephonic hiring system (THS).

Legislation was passed by New York and New Jersey at the Commission's request to implement the new system. As part of the amendatory statute, certain industry employees who perform telephonic work in connection with THS are required to be registered by the agency as "telecommunications system controllers" and to meet and maintain a standard of "good character and integrity."

Since the selection and hiring of dock workers pursuant to the new system is under the same watchful eye of the Commission, the agency investigates any and all possible violations of THS.

In one such case, the Commission was probing the activities of two telecommunications system controllers, who held temporary registrations issued by the agency. As part of the inquiry, the Commission, in accordance with its general powers, requested the controllers to appear for interviews to be conducted on the record and under oath.

The controllers thereupon brought a proceeding in New York Supreme Court to enjoin the agency from treating them in any fashion other than as permanently registered telecommunications controllers. The controllers maintained that under the Waterfront Commission Act the agency only had the authority to limit their temporary registrations to a six-month period and that, since they were each issued successive temporary registration cards after the first six-month temporary card expired, they had the legal status of permanently registered controllers. They asserted to the Court that, as temporary registrants, they would not have the same legal protection as permanent registrants, citing, for example, that if they asserted their Fifth Amendment privileges against self-incrimination at the interview their temporary registrations could be immediately cancelled.

A Justice of the New York Supreme Court denied the controllers' application for a preliminary injunction against the Commission and dismissed their complaint for legal insufficiency, the court stating in part:

> "Defendant (the Commission) opened an investigation in late 1990 involving possible criminal violations and violations of the WCA. This investigation is still ongoing. Information obtained, although not yet substantiated, involve plaintiffs (the controllers) and their alleged breach of duties as TSCs. Because of this investigation, defendant maintains, *inter alia*, it has not issued permanent registrations to plaintiffs.
>
> * * *
>
> "Plaintiffs contend that defendant is precluded by statute from treating them as temporary registrants and must recognize them as permanent registrants. Plaintiffs base their claim upon their interpretation of the WCA. They maintain that their TSC applications must be determined in the manner prescribed in Article XI of the WCA, (*See* Uncons Laws of NY, §9845 to §9851), hearing, determinations and review), and that, as prescibed in WCA, the issuance to plaintiffs of a second registration card, after the initial six month period expired, constitutes the granting of their applications for permanent registration.
>
> * * *
>
> "Plaintiffs have failed to demonstrate entitlement to preliminary injunction. Where a plaintiff's right to such relief is not free from doubt the motion for a preliminary injunction, in the absence of special circumstance, must be denied. (*See* Yome v. Gorman, 242 NY 395; Park Terrace Caterers v. McDonough, 9 AD2d 113; Bisca v. Bisca, 108 Misc 2d 227).
>
> "Defendant has provided the court with legislative history regarding the issuance of temporary registrations. Originally, in 1953, the WCA provided for the insurance [sic] of temporary permits for a period not to exceed 30 days. (L. 1953, ch. 882 §5-b). However, finding that the 30 day period was cumbersome, the statute was amended in 1954, increasing the time period for temporary permits from thirty days to six months. (Uncons Laws of NY, §9906; L. 1954, ch. 220, §2).
>
> "Defendant has consistently interpreted the six-month provision as granting it the power to issue temporary permits for successive six-month periods, until final action on the application could be completed by the defendant. At no time has defendant interpreted the subject statute as requiring the issuance of a permanent license or registration at the end of the six month period.
>
> "The language in question (§§9918 and 9906) reads in pertinent part '...[defendant] may permit temporary registration...which shall be valid for a period to be fixed by the [defendant], not in excess of six months.' This cited language contains no limitations so as to require the issuance of a permanent registration at the expiration of the six month period. The defendant has recognized this to be the case and has for the last thirty five years issued multiple six-month temporary registrations and permits.
>
> "Interpretation given a statute by the agency charged with its enforcement is, as a general matter, given great weight and judicial deference, so long as the interpretation is neither irrational, unreasonable nor inconsistent with the governing statute.' (Trapp Equitable Fifth Avenue Co. v. Gliedman, 62 NY2d 539). Defendant's interpretation and adherence to the subject statute for such a long period of time is to be accorded great deference by the courts. (Charles v. Regan, 126 Misc 2d 333). Legislative history supports defendant's position. For instance, primary source material on New York State legislation regarding temporary registrations indicates that defendant is authorized to grant temporary license or registration 'pending final action on application.' (1957 New York State Legislature Annual, at 314, §5-6[1]). Legislative intent indicates that a temporary license or permit could be reissued by the defendant pending final action on an application.
>
> "The 1954 Bill Jacket for Uncons Laws of New York §9906[1], regarding the amendment of the issuance of a temporary permit from a 30-day period to a six-month period, unambiguously states that the 30-day limit was unworkable to permit extensive investigation of applicants and that the six-month permit was necessary and could be reissued for a further period if necessary (1954 Bill Jacket, March 25, 1954, Memorandum [Waterfront Commission Act Amendments 3.5-6])."

The investigation in this matter is continuing.

* * *

All stevedores operating in the bi-state port are required to be licensed by the Commission. Generally, stevedores are contractors engaged by carriers of waterborne freight or other parties to load and unload cargo onto and off vessels or to perform services incidental to such movement, such as the warehousing of merchandise, the repair of containers, and various maintenance functions.

The Compact provides that no license may be issued to a stevedore unless the Waterfront Commission is satisfied that the applicant, and each officer, director and shareholder of a corporate applicant owning at least five per cent of the corporate stock, possesses "good character and integrity." The Compact also prescribes that a license may not be granted if any person who signs or whose name appears on the application is not the real party in interest or is an undisclosed agent or trustee for the real party in interest.

As part of its investigation of a corporate applicant to determine whether a permanent stevedore license should be issued, Commission staff attorneys interviewed the three shareholders of the firm.

Two of the stockholders, who each possessed a third ownership of the corporation, also held proprietary interests in two other companies not within the licensing jurisdiction of the Commission. One of these shareholders testified at the interview that he had been assaulted and threatened by a gun-wielding individual who advised the stockholder that he, the gunman, was going to take over the stevedore company. The shareholder related that, prior to that confrontation, there had been several meetings with the individual, one of which concerned a proposed business arrangement which never materialized.

Another shareholder of the applicant corporation revealed that the gunman had previously proposed obtaining an interest in one of the shareholder's other companies in exchange for the gunman's business contacts in New York City's garment industry. The shareholder testified that he had rejected this overture.

The gunman was known to the Commission and other law enforcement agencies as a caporegime, or head of a squad, in an organized crime family operating in the New York metropolitan area.

The Commission then sought to examine the books and records of one of the unlicensed companies in which the two shareholders had an interest and both shareholders agreed to make the material available for inspection. The agency was obviously interested in ascertaining whether the capo regime had an interest in that company and whether he might be an undisclosed principal in the applicant firm.

When the requested records were not produced

as promised, the Commission issued a subpoena duces tecum for their production, as well as another subpoena for the books of the other company in which these two shareholders were part owners.

The two unlicensed firms then applied to the Superior Court of New Jersey to quash the subpoenas, arguing that the Commission had no jurisdiction over these companies and the records demanded by the agency had no relevancy or materiality to the matter under investigation. The Commission, in opposition to the motion, specified the details of its inquiry, and demonstrated a number of financial transactions between the applicant corporation and the other companies.

The Court denied the application to void the subpoenas and directed compliance with the mandates.

While the Commission thereafter received only a portion of the books and records sought, the company seeking the license ultimately went bankrupt.

* * *

Alleviating Summer Labor Shortages

The Waterfront Compact provides two primary means by which the Commission may discharge its obligation to balance the number of registered deep-sea dock workers with the need for their services.

If the Commission determines, after observing several statutory standards, that longshorepersons or checkers should be added to the rolls, either permanently or for protracted periods of time, it may then add new workers in such numbers as it finds necessary to satisfy the requirements of waterfront employers. Any such determination may be made on the agency's own initiative or upon a joint recommendation by the employers and the labor unions representing the laborers. Traditionally, the Commission will conduct a public hearing to consider the views not only of management and labor but also of other persons whose interests are affected by the size of the work force, such as importers, exporters, trucking concerns and other government agencies. The Commission determination is subject to judicial review should the waterfront employers and the union jointly believe it is arbitrary or an abuse of the agency's discretion.

In those situations requiring an increase or substitution of workers for short intervals, such as during holiday and vacation periods or for an emergency, the agency is empowered by the Compact to register dock workers on a temporary basis. Thus, for example, in the summer of 1991, 150 persons were provisionally registered to substitute for checkers on vacation.

This past summer, again to replace workers taking vacation, the Commission issued temporary passes as checkers to 75 persons and another 125 as yard hustler and car drivers to mitigate shortages of labor. As before, the Commission required that such temporary workers be selected on a fair and non-discriminatory basis in accordance with equal employment opportunity statutes and that they be employed by the waterfront industry only after all permanently registered and eligible workers were first offered the work.

* * *

Licensing

During the past fiscal year, the Commission's licensing staff examined and processed 1,150 applications and reapplications for registrations and licenses. These included 675 applications for inclusion in the Commission's register of "deep-sea" and ancillary longshorepersons, 138 for checker registrations, 271 for licensing as pier guards, 18 for hiring agent licenses, 42 for licenses as pier superintendents, and 6 to operate as stevedores in the Port. Since the advent of the Commission in 1953, it has reviewed over 151,350 applications.

* * *

Commission determinations in administrative proceedings totaled 75 this fiscal year. Inclusion in the Register was denied to 16 applicants, including 15 seeking maintenance or warehouse registration and 1 as a longshoreman. Five applications for licenses as pier guards were denied, as were 2 applications for pier superintendent's licenses. Two applications for warehouse registration were granted after hearings, as was one application each for licenses as a pier guard, hiring agent and pier superintendent. A permanent license was issued to one stevedore company.

The revocation of 22 registrations was ordered by the agency, 7 unconditionally and 15 with leave granted to reapply after fixed periods of time. Two pier superintendent's licenses were unconditionally revoked and one pier guard's license was revoked with leave to reapply. The registrations of 2 longshoremen, 1 checker, 1 maintenance man and 3 warehousemen were suspended in summary proceedings, where the registrants admitted the offenses charged and waived formal hearings. The licenses of two hiring agents and four pier guards were also suspended after summary proceedings. Seven pier guards were reprimanded as a result of such proceedings. The registration of one warehouseman was temporarily suspended pending a hearing.

Personnel

A number of employees with long and dedicated service to the Commission retired this year.

Jerome J. Klied, Deputy Executive Director of the agency, retired after more than 36 years. Joining the Commission in 1956 as an Assistant Counsel in the Litigation Section, Mr. Klied was made Administrative Counsel in charge of Licensing in 1966. Four years later he was promoted to the position of Assistant to the Executive Director and, in 1977, was appointed the agency's first Deputy Executive Director.

Mr. Klied authored many of the amendments to the Waterfront Commission Act and was a co-draftsman of the Waterfront and Airport Commission Compact. He served as legislative representative for the agency in Albany and Trenton, appearing before numerous legislative committees. For the past 17 years he drafted the Commission's Annual Report.

Following a stint in his youth as a band leader at a number of Catskill Mountain resort hotels, Mr. Klied attended Fordham Law School. He graduated with honors and served in the Courts and Boards Section in the United States Army.

Elmer "Bill" Williams, Jr. entered on duty in 1973 as Finance Officer and was later named Comptroller of the Commission, a position he held until his retirement in July, 1992. During his 19 years of service with the agency, Mr. Williams was responsible for preparing the Commission's budget and administering its payroll unit and health and insurance programs. He held similar management positions in the private sector prior to joining the Commission's staff.

Leo J. Giannecchini came with the Commission as an investigator in the Division of Investigation with prior service for 5 years as a Special Agent with the Federal Bureau of Investigation. He retired after 36 years with the Commission as a Detective, Grade 1. His primary assignment was the Brooklyn sector of the Port's waterfront.

Brian T. Kelly entered service with the agency in 1966 as a part-time clerk while pursuing his college studies. After obtaining his degree, he was appointed as a Special Agent in 1971 and designated as a Detective in 1984. During his tenure he represented the agency's Police Division on a number of federal task forces investigating improbity in waterfront unions. Upon his retirement, Mr. Kelly, a Detective 1st Grade, joined the Mollen Commission probing corruption in the New York City Police Department.

Samuel Felsenstein joined the agency in 1969 as a Senior Accountant and served in that capacity for more than 23 years. Prior to being appointed to the Commission staff, Mr. Felsenstein was employed as an auditor with the New York State Department of Labor. As a Senior Accountant, he was instrumental in developing data crucial to a number of important investigations conducted by the Commission.

Nicholas Franciosa originally entered Commission service in 1957 as a License Examiner. In 1963 he became a Senior Clerk in the Division of Employment Information Centers. He later served as a Supervising Clerk in the Commission's central telephonic hiring center.

William G. Whiteman retired after 23 years of service, first as a Special Agent and later as a Detective, 1st Grade, in the agency's police division. His assignments were mostly on the New Jersey side of the harbor. Prior to his Commission employment, he served as a police officer with the Newark, New Jersey, Police Department.

* * *

The Commissioners and staff note with sadness the deaths of two former employees.

Edward P. Blaski served for 21 years prior to his retirement in late 1975. He was an assistant manager in the Division of Employment Information Centers, assigned to centers in Manhattan and Brooklyn.

John J. Marshall retired in 1973 after 19 years with the agency. He was primarily assigned to the Commission's headquarters building in a variety of clerical and service capacities.

* * *

CONCLUSION

To continue and preserve the accomplishments of the Commission and the gains realized in the Port of New York-New Jersey under the enforcement of the Waterfront Commission Act, the Waterfront Commission finds and determines that public necessity still exists for the continued registration of longshoremen, the continued licensing of those occupations and types of employment required to be licensed under the Waterfront Commission Act and the amendments thereto, and the continued public operation of the employment information centers provided for in Article XII of the Compact.

Respectfully submitted,

NICHOLAS SCOPETTA
Commissioner for New York

PHILIP M. KEEGAN
Commissioner for New Jersey

WATERFRONT COMMISSION OF NEW YORK HARBOR
Statement of Cash Receipts and Disbursements
Year Ended June 30, 1992

Balance of funds at beginning of year:		
Cash in checking accounts and on hand	$ 57,980	
Cash in money market accounts	1,775	
Cash in savings accounts	8,040	
Time certificates of deposit	855,000	
	922,795	
Less taxes and other withholdings from employees	534	$ 922,261
Receipts:		
Assessments on employers of persons registered or licensed by the Commission	5,851,030	
Penalties, fines and miscellaneous income	50,008	
Interest:		
Time certificates	51,262	
Money market accounts	13,931	
Savings accounts	392	5,966,623
		6,888,884
Disbursements:		
Salaries	4,027,799	
Retirement, group insurance and Social Security taxes	1,005,765	
Rentals	447,059	
General insurance	191,149	
Light, heat and power	85,927	
Repairs and maintenance	19,007	
Furniture and equipment	53,734	
Carfare, auto and travel	43,167	
Communications	52,261	
Special services and supplies	62,762	
General office	31,527	
Printing	11,542	
Hearing officers, auditors and consultant fees	9,040	
Miscellaneous overtime expense	349	6,041,088
Excess of receipts and balance of funds at beginning of year over disbursements—balance of funds at end of year consisting of:		
Cash in checking accounts and on hand	224,546	
Cash in money market accounts	480,259	
Cash in savings accounts	8,272	
Time certificates of deposit	135,000	
	848,077	
Less taxes and other withholdings from employees	281	$ 847,796

See accompanying notes to statement of cash receipts and disbursements.

(1) **Description of Business and Accounting Policy**

(a) *Description of Business*

The Waterfront Commission of New York Harbor (the Commission), a bistate instrumentality, was created in 1953 by joint legislative action of the States of New York and New Jersey. It is vested with broad investigative, licensing and regulatory jurisdiction over the piers and terminals in the Port of New York District. It is not subject to income taxes.

(b) *Accounting Policy*

It is the policy of the Commission to prepare its financial statement on the basis of cash receipts and disbursements; consequently, revenue and related assets are recognized when received rather than when earned and expenses are recognized when paid rather than when the obligation is incurred.

KPMG Peat Marwick

Certified Public Accountants

New Jersey Headquarters
150 John F. Kennedy Parkway
Short Hills, NJ 07078

Independent Auditors' Report

The Commissioners
Waterfront Commission of New York Harbor:

We have audited the statement of cash receipts and disbursements of the Waterfront Commission of New York Harbor for the year ended June 30, 1992. This financial statement is the responsibility of the Commission's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in note 1(b), this financial statement was prepared on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the statement of cash receipts and disbursements referred to above presents fairly, in all material respects, the cash transactions of the Waterfront Commission of New York Harbor for the year ended June 30, 1992 on the basis of accounting described in note 1(b).

KPMG Peat Marwick

October 5, 1992

Member Firm of
Klynveld Peat Marwick Goerdeler

(2) **Retirement Benefits**

The Commission has established a reserve account to fund its liability for eligible retired employees' medical, dental and life insurance benefits. As of June 30, 1992, the balance of this account was $118,275.

(3) **Contingencies**

The Commission is party to various claims which, in the opinion of general counsel, will not have a material adverse effect on the accompanying statement of cash receipts and disbursements.

(4) **Lease Commitments**

Future minimum lease payments under noncancelable operating leases (with initial or remaining lease terms in excess of one year) as of June 30, 1992 are as follows:

Year ending June 30:	
1993	$ 414,000
1994	437,000
1995	437,000
1996	437,000
1997	460,000
Thereafter	1,886,000
Total minimum lease payments	$4,071,000

COMMISSION DETERMINATIONS

Year Ended June 30, 1992

APPLICATIONS AND REVOCATIONS

	Denied	Granted	Revoked	Revoked L/R	Suspended	Reprimanded	Suspended P/H	Totals
Longshoremen	1	0	2	5	2	0	0	10
Checkers	0	0	0	3	1	0	0	4
Hiring Agents	0	1	0	0	2	0	0	3
Port Watchmen	5	1	0	1	4	7	0	18
Pier Superintendents	2	1	2	0	0	0	0	5
Stevedores	0	1	0	0	0	0	0	1
Maintenance/Warehouse	15	2	5	7	4	0	1	34
Totals	23	6	9	16	13*	7**	1	75

* Includes 13 summary proceedings
** Includes 7 summary proceedings

PETITIONS

	Denied	Granted	Totals
Petitions for Reconsideration	4	1	5
Petitions for Leave to Reapply	1	0	1
Petitions for Rehearing	1	0	1
Petitions to Withdraw	0	1	1
Petitions to Remove Ineligibility	0	2	2
Petitions for Restoration of Registration/License	9	0	9
Petitions to Vacate Temporary Suspension	0	5	5
Petitions for Retention or Reinstatement	3	1	4
Petitions for Stay	0	2	2
Totals	18	12	30

ADDITIONAL COMMISSION DETERMINATIONS

Recommendations for Permanent Registration/License	16
Recommendations to Continue Temporary Permits/Registrations	11
Recommendations to Withdraw Notice of Hearing	5
Recommendations to Issue Notice of Hearing	3
Recommendations to Amend Notice of Hearing	0
Recommendations to Amend Order of the Commission	0
Recommendations to Rescind Order of the Commission	0
Totals	35

DECASUALIZATION OF LONGSHOREMEN AND CHECKERS

		Number Decasualized	Remaining Registrants
1st decasualization	June 3, 1955	7,141	31,574a
25th decasualization	March 31, 1967	1,142	22,100
30th decasualization	October 3, 1969	1,022	20,627b
40th decasualization	September 26, 1974	271	14,143b
50th decasualization	September 28, 1979	124	10,956b,c
60th decasualization	October 4, 1984	88	8,026b
65th decasualization	April 9, 1987	100	7,159b,c
70th decasualization	October 5, 1989	126	5,846b
71st decasualization	April 6, 1990	76	4,507b
72nd decasualization	October 4, 1990	66	4,398b
73rd decasualization	April 5, 1991	55	4,195b
74th decasualization	October 3, 1991	51	4,014b
75th decasualization	April 3, 1992	33	3,941b

(a) Does not include craftsmen whose registrations were required on or after May 27, 1957.
(b) Does not include warehousemen, container repairmen, and other persons required to be registered on or after September 1, 1969.
(c) Includes persons registered on a temporary basis to meet special and emergency needs.

REGISTRATIONS AND LICENSES IN EFFECT DURING FISCAL YEARS

As of June 30th

	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992
Longshoremen	11,863[a]	11,420[a]	11,150[a]	10,804[a&b]	10,289[a&b]	9,947[a&b]	9,474[a]	8,702[a]	7,955[a]	7,810[a]	6,999[a]	6,520[a]	6,511[a]	5,371[a]	5,129[a]	5,095[a]
Checkers	2,479	2,408	2,468	2,373	2,231	2,084	2,017	1,806	2,065	1,894[b]	1,686[b]	1,578[b]	1,510	1,175	1,200[b]	1,107[b]
Hiring Agents	369	361	357	339	327	304	291	279	242	242	229	233	185	179	173	182
Pier Superintendents	342	340	357	344	353	341	325	304	298	317	304	302	268	279	278	303
Pier Guards	818	789	750	705	655	635	560	525	491	455	404	387	343	356	391	392
Stevedore Companies	115	113	116	113	109	110	104	101	87	83	80	73	71	69	68	71
Telecommunications System Controllers															14[c]	14[c]
TOTALS	15,986	15,431	15,198	14,678	13,964	13,421	12,771	11,717	11,138	10,801	9,702	9,093	8,888	7,429	7,253	7,164

(a) Includes warehousemen, container repairmen, and other persons required to register under amendments to Waterfront Commission Act, effective September 1, 1969.
(b) Includes persons registered on a temporary basis to meet special and emergency needs.
(c) Includes persons required to be registered under amendment to Waterfront Commission Act, effective July 9, 1990.

* * *



Commissioner Keegan receiving $89,600 check on behalf of Waterfront Commission from William J. Meglen, Supervisory Agent, U.S. Customs Service, out of criminal activity forfeiture funds.

EMPLOYMENT INFORMATION CENTERS

Showing Comparison of Hirings for the years ending June 30th, 1991 and 1992

Piers and Areas	HIRINGS 1991-1992	HIRINGS 1990-1991	Increase or Decrease	% Change	% Share in Port Employment 1991-1992	% Share in Port Employment 1990-1991
Manhattan	23,526	22,413	+ 1,113	+04.97	02.93%	02.92%
Brooklyn & Staten Island	131,942	144,442	– 12,500	– 08.65	18.86%	18.86%
Port Newark & Port Elizabeth	505,655	485,567	+20,088	+04.14	63.39%	63.40%
Jersey City & Bayonne	111,641	113,512	– 1,871	– 01.65	14.82%	14.82%
TOTAL—NEW JERSEY	617,296	599,079	+18,217	+03.04	78.21%	78.22%
TOTAL—NEW YORK	155,468	166,855	– 11,387	– 06.82	21.79%	21.78%
PORT WIDE TOTALS	772,764	765,934	+ 6,830	+00.89	100.00%	100.00%

* * *

COMPARISON OF AVERAGE EARNINGS OF LONGSHOREMEN AND CHECKERS

	1954 (*)	1989	1990	1991
Over $50,000	(*)	1,396	1,568	1,566
$25,000 to $50,000	(*)	1,766	1,306	1,251
$20,000 to $25,000	(*)	248	227	204
$15,000 to $20,000	(*)	198	275	172
$10,000 to $15,000	(*)	255	226	192
$ 5,000 to $10,000	3,797	353	346	210
Under $5,000	37,536	1,139	1,109	845
TOTAL REPORTED	41,333	5,355	4,957	4,440
Total Earnings	$102,061,108	$178,645,195	$166,450,724	$174,582,588
Total Hours Worked	37,813,991	8,184,485	7,625,570	7,509,156
% Hours Overtime	24.3%	33.2%	33.1%	36.1%
AVERAGE ANNUAL WAGES**	$2,469	$33,361	$33,579	$39,320

* Records Incomplete for 1954.

** Does Not Include Fringe Benefits.

NOTE: This table includes craftsmen such as carpenters, coopers, maintenance men and miscellaneous personnel required to be registered as longshoremen effective May 27, 1957, but does not include most persons required to be registered as waterfront warehousemen and in other capacities effective September 1, 1969. Similar tables in annual reports prior to 1957–1958 included earnings of longshoremen and checkers only, as reported by the New York Shipping Association.

SOURCE: New York Shipping Association for its fiscal year ending September 30th.

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Nicholas Scoppetta
Commissioner for New York



Philip M. Keegan
Commissioner for New Jersey



Leonard Newman
Executive Director

Jerome J. Klied, *Deputy Executive Director*

Gerald P. Lally, *General Counsel*

Joseph DiPasquale, *Secretary*

James T. Sullivan, *Chief, Division of Police*

Carmine A. Cardone, *Director, Division of Licensing and Employment Information Centers*

Gemma T. Macaluso, *Director, Administration*

Frank Nastasi, *Director, Division of Audit and Control*

Arthur J. Davoren, *Acting Comptroller*

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