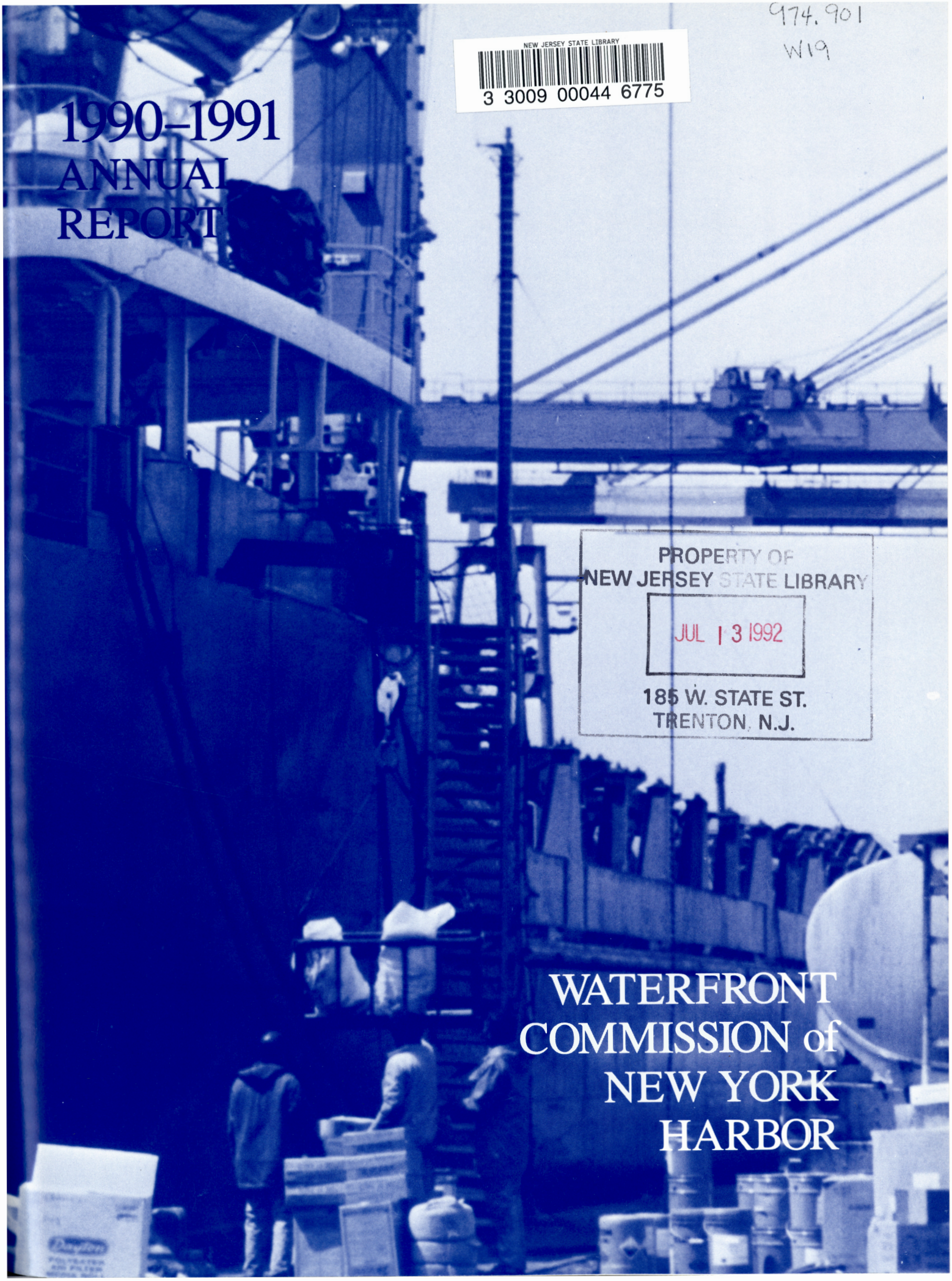
974.901
W19

NEW JERSEY STATE LIBRARY
3 3009 00044 6775

1990–1991 ANNUAL REPORT



PROPERTY OF
NEW JERSEY STATE LIBRARY
JUL 13 1992
185 W. STATE ST.
TRENTON, N.J.

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 1990-1991. 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
1990–1991

THE WATERFRONT COMMISSION OF NEW YORK HARBOR

AN INSTRUMENTALITY OF THE STATES OF NEW YORK AND NEW JERSEY

THE WATERFRONT COMMISSION

The Waterfront Commission of New York Harbor was established in 1953 by a Compact between the States of New York and New Jersey resulting from an intensive investigation of the bi-state Port by the New York State Crime Commission, with the collaboration of the New Jersey Law Enforcement Council and various police agencies. After enactment by the states on June 30, 1953, the Compact was granted approval by the United States Congress and then signed into law on August 12, 1953 by President Dwight D. Eisenhower.

In addition to creating the Waterfront Commission, the Compact instituted a comprehensive program to eradicate deeply rooted criminal and corrupt practices found to exist on the docks.

The Compact abolished the pier "shape-up," which for decades had enabled mobsters to control the employment and livelihood of pier workers. Under this archaic system of hiring, when work was available at a particular pier, longshoremen would gather in a semicircle around the hiring boss. The foreman, oftentimes an ex-convict, would select those persons he wanted, without regard to qualifications, experience or seniority. Frequently, a kickback or other form of tribute was the price paid for obtaining four hours of employment. An individual or waterfront gang may have worked for years at a pier, but yet could be denied employment at any time at the whim of the hiring boss. The shape-up was found to produce irregularity of employment and a large surplus of longshoremen, with most dock workers earning low annual wages.

Declaring that the shape-up method of hiring resulted in "vicious and notorious abuses," with dock workers as the victims, the Legislatures eliminated the practice and mandated regulation of the longshore hiring process by the Commission.

The Compact also banished another waterfront practice, known as "public loading," which required truckmen to make payments to certain groups of persons, often accomplished by coercion and extortion, to load or unload cargo from their vehicles at the piers, whether or not the services were required or desired. The New York Crime Commission found that public loading was a racket "seriously threatening the Port."

The omnibus legislative plan to reform the waterfront established the Commission as a unique bi-state instrumentality with broad investigative, police, licensing and regulatory authority over the piers and terminals in the 1,500 square mile Port of New York District. Thus, the Compact granted the agency the power to:

- investigate criminal activity in the harbor and collect and compile information concerning waterfront practices generally;
- register and license longshoremen, stevedore companies, hiring agents, pier superintendents, and pier guards;
- operate employment information centers to oversee the hiring of longshoremen and port watchmen and provide them with data concerning opportunities for dock employment;
- regularize the longshore work force by balancing the number of eligible dock workers with the demand of stevedores and waterborne carriers for their services and by periodically removing from the longshoremen's register those pier employees who fail to work or seek employment on a regular basis;
- prohibit a person with a record for serious criminal conduct from holding positions in unions representing registered or licensed dock workers or in welfare funds or trusts administered by such labor organizations;
- appoint police officers; issue subpoenas throughout both states to compel the attendance of witnesses, the giving of testimony and the production of other evidence; administer oaths; 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.

* * *

There are two members of the Commission, one appointed by the Governor of each State, with the advice and consent of the respective State Senate. Each Commissioner is appointed for a three-year term, with the compensation established by the appointing Governor. Under the provisions of the Compact, the agency may act only by a unanimous vote of both Commissioners. The Commissioners have the authority to appoint such officers, agents and employees as they deem necessary and to receive assistance and data from any other department and agency of either state. They also have the power to advise and consult with other public officials and with representatives of labor and industry concerned with the effectuation of the purposes of the Compact.

Representing the State of New York on the Commission since 1979 is Nicholas Scoppetta. An attorney and member of the New York and Federal Bars, Commissioner Scoppetta has been in public service almost 30 years. He was an Assistant District Attorney of New York County; Associate Counsel to the Knapp Commission during its investigation of police corruption in New York City; Special Assistant United States Attorney in the Southern District of New York; the Commissioner of Investigation for the City of New York under two mayors; and Deputy Mayor of New York City for Criminal Justice. He was also Director of the Institute of Judicial Administration and a Professor of Law at the New York University Law School.

Recently appointed by Governor James J. Florio to represent New Jersey on the Commission is Philip M. Keegan. Taking office on February 1, 1992, Commissioner Keegan is a resident of Maplewood, New Jersey. He was graduated from Villanova University with a Bachelor of Science in Economics. His former government service includes being a member of the New Jersey General Assembly, as well as serving 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 Party and serves on the Boards of Trustees for the New Jersey Institute of Technology, Seton Hall Preparatory School and the New Jersey Alliance for Action. He is currently president of a consulting and environmental engineering firm in Union, New Jersey.

Commissioner Keegan succeeded Conrad N. Koch, who served as Waterfront Commissioner for over eight years and who was recently appointed as a New Jersey Superior Court Judge by Governor Florio.

The Commission's Executive Director, in charge of the daily administration of the agency, is Leonard Newman. Appointed by the Commissioners to that position in 1976, Mr. Newman, an attorney and a member of the New York and Federal Bars, formerly served as an Assistant District Attorney in New York County for 32 years, including eight years as Chief of the Fraud Bureau. He also saw government service as First Deputy Commissioner of the Division of Criminal Justice Services of New York State, being directly in charge of the Office of Special Services, including the Bureau of Municipal Police, the Prosecutorial Technical Assistance Unit and the Juvenile Justice Institute.

* * *

The Commission's statutory responsibilities and functions are administered through six divisions, each under the general supervision of the agency's Executive Director.

The Executive Division implements the policies established by the Commissioners. Under the direction of the Comptroller, this Division formulates the agency's budget, which by statute is submitted to the Governors of the two States for review. The agency's budgeted expenses are assessed upon the employers of those waterfront workers who are licensed and registered by the Commission. The assessment is limited to a maximum of two percent of the gross payments made by such employers to longshoremen, checkers, pier superintendents, hiring agents and port watchmen. By statute, the assessment is in lieu of any other charge or fee for the issuance of licenses or registrations or for the use of the Commission's Employment Information Centers. Assessments are payable each calendar quarter-year. Every employer subject to the payment of assessments is required under the Compact to keep an accurate record of its employment of persons licensed or registered by the Commission, including the amount of compensation paid and such other information as the agency may require.

In addition, the Executive Division prepares and reviews proposed legislation, contracts, leases and regulations; handles public relations; prepares the annual and other reports to the Governors and Legislatures; and does legal research and litigation. Included in the Division are the General Counsel and Comptroller sections of the agency.

The Division of Law, with the support of agency detectives and accountants, investigates violations of criminal and other statutes pertaining to the Port. Attorneys assigned to this division conduct administrative hearings held to determine whether persons and companies licensed by the Commission have committed any illegal or improper activity and, if so, what disciplinary action should be taken.

With the assistance of personnel of other divisions, the Law Division will also conduct public hearings to ascertain, among other things, whether additional remedial legislation or regulations are needed to achieve the objectives of the Compact.

The Division of Licensing and Employment Information Centers is charged with (1) the processing of the applications submitted by those waterfront crafts and companies required to be registered or licensed by the agency, (2) overseeing the industry's hiring of longshoremen, checkers and port watchmen and (3) the administration of the statutory procedures designed to balance the waterfront work force by removing those waterfront workers who, without good cause, fail to work or seek work with regularity. Assistant Counsel assigned to the Division conduct administrative trials to determine whether the applications for licenses and registra-

tion submitted to the agency should be granted or denied.

The Commission's Division of Police investigates criminal activity in the harbor, provides background checks of prospective licensees and registrants, and patrols the docks and terminals in the port area. Its force of detectives, detective-investigators and waterfront intelligence analysts also interpret and maintain waterfront organized crime data, survey and evaluate the cargo protection facilities of stevedores and shipping lines, and secure the investigative and licensing files of the Commission. Members of the Division participate in various federal task forces operating in the Eastern and Southern Districts of New York and in Newark, New Jersey. All of the detectives and detective-investigators employed by the Commission have full police powers in both New Jersey and New York.

The Division of Audit and Control, performing a significant function in the enforcement activities of the agency, scrutinizes the records and books of persons and firms under Commission investigation. Its staff of accountants also checks the financial and corporate records of companies applying for licensing as stevedores and audit the books of those firms already licensed to verify compliance with the agency's record-keeping requirements and the accuracy of assessment reports.

The Division of Administration provides the other divisions with support staff, including stenographic, clerical, court reporting, library and messenger services. It also maintains the personnel and other records of the agency.

* * *

The Commission operated this past fiscal year ending June 30, 1991 with a staff of 112 employees. In the past ten years, the Commission has reduced its staff by 59 employees, or 35%, primarily through a self-imposed retrenchment in its licensing and employment information center personnel. In part, this was made possible by a significant reduction in the number of longshorepersons working in the port and the institution of a telephonic system of hiring pier workers.

Approved by the Governors, who have the authority to reduce or modify its proposed expenditures, the Commission's budget was $6,457,137. In performing its mandated functions under tight fiscal controls, the agency disbursed $6,013,093 or $444,044 under its budget.

* * *

THE PORT

Recognized as one of the most important natural assets of our nation, the Port of New York-New Jersey embraces over 200 municipalities and has an immediate consumer market of over 15 million persons. During 1990, there were some 5,000 ship arrivals in the Port, or almost the combined totals of the ports of Philadelphia and Baltimore. Thus, a vessel arrived in the Port an average of almost every 100 minutes—day and night. It is estimated that the Port provides a regional economic benefit of some $18 billion.

In 1990, the Port handled the equivalent of 1,210,173 20-foot cargo containers, an increase of 1% from the 1,197,833 handled the previous year. This was over 23% of those handled in the five largest container ports in the United States, Los Angeles, Long Beach, New York-New Jersey, Seattle and Oakland.

The Port moved 48.9 million long tons of oceanborne cargo during 1990, including both general and bulk cargo. This was a decrease of 11.8% from 1989. Total general cargo declined by 6.6%, while bulk cargo dropped 13.4%. A long ton is 2,240 pounds.

The Port's market share of long tons of general cargo in the North Atlantic region of the nation (i.e. the Ports of New York-New Jersey, Norfolk, Philadelphia, Baltimore, Boston, Portland and Providence) was almost 40%, a slight increase from the previous year.

In dollar value, total oceanborne cargo moving through the Port increased in 1990 to $50.223 billion from $50.214 billion in 1989. While general cargo decreased 1%, total bulk carbo, such as iron and steel scrap and distillate and residual fuel oils, increased by 7.4%.

* * *

During the period between October 1, 1989 and September 30, 1990, the waterfront industry's collective bargaining year, 4,957 "deep-sea" longshorepersons and cargo checkers registered by the 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 $233,356,980 in regular and overtime wages, vacation and holiday monies, and guaranteed annual income payments.

Average annual earnings for the 4,957 pier workers during that contract year were $47,076. In the prior collective bargaining year ending September 30, 1989, 5,355 such "deep-sea" dock employees received $263,100,612, for an average annual income of $49,151.

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

* * *

As of June 30, 1991, the close of the agency's fiscal year, the Port's screened and licensed work force consisted of 3,010 "deep-sea" longshorepersons, 1,200 cargo checkers (including 130 temporarily registered by the Commission under its powers to alleviate anticipated checker shortages during the summer vacation period of 1991), 2,119 persons registered to warehouse cargo and perform container repairs, the weighing of freight and other functions related or incidental to the movement of cargo, 391 pier guards, 278 pier superintendents (persons employed by carriers or stevedores to supervise, directly or indirectly, longshore and checker work), 173 hiring agents (persons who, on behalf of carriers or stevedores, select dock laborers for employment), and 14 telecommunications system controllers (employees of a management and labor board who participate in the telecommunications system of hiring of dock workers). In addition, there were 68 companies licensed as stevedores authorized to engage in the movement of waterborne freight or to provide services incidental to such movement.

* * *

THIS YEAR

In its last two Annual Reports, the Commission detailed some of the results of a long-term investigation into the alleged domination by organized crime families over a number of locals and union officials of the International Longshoremen's Association (ILA), the union representing, among other workers, longshore and checker labor in the Port. The probe, conducted by Commission detectives, special agents of the Federal Bureau of Investigation and attorneys from the United States Attorney's Office for the Southern District of New York, was the basis for a civil action instituted by the United States Department of Justice against 6 ILA local unions, their Executive Boards, and over 30 present or former officials of the labor organizations.

The civil complaint, brought under the federal Racketeer Influenced and Corrupt Organizations Act, or "RICO," alleged that a series of criminal prosecutions demonstrated that persons associated with organized crime were exercising control over the six locals to conduct a pattern of racketeering activity.

As the Commission reported last year, the federal government settled its suit with four of the six locals, two of which represented waterfront workers in the Port. The settlement with one of the locals, composed of waterfront maintenance workers, provided for a permanent injunction barring the union's officers and Executive Board from committing any racketeering acts, a court-appointed monitor to oversee the locals' affairs for three years, and payment of $100,000 to the union treasury by three of the union's officials, out of their personal assets, in settlement of certain claims by the federal government against them. The consent judgments with the other three locals prohibited two persons, who were officers in each of the three locals, from holding any union office in the ILA, directed supervision of the locals' elections through 1994 by the United States Department of Labor, and provided for a monitor to govern the employment practices of one of the locals.

Recently, the RICO lawsuit was settled with the remaining two locals. The consent decree with one of these unions, the largest longshore local in the ILA, required that the Executive Vice-President, who also held the office of General Organizer of the parent ILA (the third highest post in the international union), be removed from all his positions in the ILA, including those as trustee of various ILA-related benefit funds. During the course of the trial, a government expert witness testified that this officer was a "made" member of the Gambino Organized Crime Family. Also removed from all union offices were the Special Administrative Assistant to the President of the local (who was also a Vice President of the Atlantic Coast District of the ILA) and a Vice President of the union (who was also a Vice-President of the Atlantic Coast District). Each of these officers was barred for life from holding any position in the ILA, any ILA-affiliated entity, and from any business on the waterfront.

The decree additionally provided for a court appointed monitor with broad authority to oversee the affairs of the local until May, 1996, and to supervise the union's general elections through 1996.

The final consent order, involving an ILA local representing longshoremen in certain sections of the New Jersey waterfront, established a two-person office of Ombudsman for a minimum of one year to enforce the union's Constitution and By-laws, portions of which were amended by the decree. The court-approved mandate also charged



the U.S. Department of Labor with supervision of the local's elections through 1993, and enjoined the union from authorizing two named persons to serve as shop stewards or in any other office or position in the local.

* * *

Operation "Tailgunner" Hits Mark

An intensive cooperative investigation by the Commission, the United States Customs Service and the Federal Drug Enforcement Administration, termed "Operation Tailgunner," led to the indictment this year of twelve members of two affiliated criminal organizations responsible for the importation of large amounts of cocaine and marijuana and the theft of numerous shipments of waterfront cargo.

The head of one of these gangs ran the drug trafficking and theft operation from his wholesale coffee business located in the Red Hook section of Brooklyn, near the waterfront.

The probe disclosed that he and several members of his gang were involved in the smuggling of considerable amounts of marijuana and cocaine from Colombia, South America, through a marine terminal in Brooklyn and elsewhere. The gang boss and four of his associates have been charged in the indictment with attempting to smuggle into the United States a shipment of marijuana concealed in a container housing surgical gloves, which was intercepted at a Brooklyn pier by Commission detectives and Customs and DEA agents. In addition, the boss and one of his gang were indicted for two attempts to smuggle in cocaine in shipments of coffee. The two shipments were seized by the Commission, DEA and Customs at Port Newark, on the New Jersey waterfront, six months apart. The second load of cocaine was apparently being smuggled for the benefit of the other criminal organization charged in the indictment. During the course of the operation, over 1,700 pounds of cocaine and 16,000 pounds of marijuana were confiscated.

The crime boss and various members of his gang were also arrested for the possession of stolen waterfront container loads of coffee beans, pants and belts. The investigation team executed search warrants at the coffee roasting premises owned by the boss and seized numerous firearms, as well as quantities of stolen beer, lamps and other merchandise. It is estimated that the value of the merchandise from the cargo thefts was in excess of $500,000. The business assets of the premises, including two coffee bean roasting operations and a warehouse, have been frozen by federal civil forfeiture orders.

As an offshoot of the probe, a double murder which occurred several years ago was solved. Evidence developed by Commission detectives, federal agents and detectives of the New York City Police Department resulted in the arrest of a long-time employee of one of the coffee roaster firms for the murder of a mother and her daughter. Their bodies had been hidden for at least a year in the trunk of a Cadillac parked in an open lot in Brooklyn, some eight blocks from the accused killer's house. The daughter had been strangled and her mother died from a blow to her neck.

* * *

In a related investigation, Commission detectives arrested a longshore foreman for conspiring to receive and possess hundreds of bags of imported coffee stolen from a Brooklyn waterfront warehouse at which he was employed.

The probe disclosed that, over the course of seven years, the foreman had been participating in the unauthorized removal of 150 pound bags of coffee from his employer's premises. Detectives from the Commission obtained evidence that about 500 of the stolen coffee bags, valued at over $75,000, had been sold to one of the coffee roaster firms owned by the crime boss mentioned above. The foreman was reportedly aided in the thefts by an assistant foreman at the warehouse. This assistant foreman was recently shot to death at the storage facility by several unknown assailants.

The foreman, who is a registered longshoreman, has been temporarily suspended from the Commission's registry of dock workers pending an administrative hearing to determine whether his license to work on the waterfront should be revoked.

* * *

Recapping A Theft

A continuing investigation into thefts of merchandise from a large New Jersey waterfront terminal resulted in the arrests by the Commission of two longshoremen and a truck driver for allegedly stealing $33,000 worth of newly recapped tires.

Commission police officers developed information that a truck with Pennsylvania license plates, scheduled to call at a Jersey City waterfront terminal, would be involved in the unauthorized removal of tires from the pier. Agency detectives set up a surveillance at the facility, advised the terminal operator's security officer of the intelligence they had obtained, and were informed that the truck was slated to pick up scrap tire casings from the terminal's maintenance yard and deliver them to a

Pennsylvania company dealing in new and scrap tires. The Commission officers arranged to have the security guard at the terminal's main gate stop the truck as it was to exit from the pier.

The truck entered the terminal at the beginning of the lunch break, when most pier personnel were leaving for their midday meal. As it was about to depart, an hour or so later, it was stopped at the gate and searched by Commission detectives and the terminal's security officers. The search revealed rows of newly recapped tires in the interior of the vehicle, surrounded and hidden by stacks of scrap tire casings. A cursory examination of the truck's contents, by only opening the rear doors, would not have exposed the recapped tires, which the truck driver did not have permission to remove. Eighty recapped tires, valued at $6,400 were found on the truck.

Investigation disclosed that the driver was instructed by his supervisor at the Pennsylvania tire firm to contact a certain maintenance foreman at the Jersey City terminal, who worked for a maintenance sub-contractor at the pier. It was this maintenance foreman who instructed the driver to hide the contraband tires among the scrap tire casings.

Further investigation disclosed that a power shop foreman at the terminal had made prior arrangements with the Pennsylvania firm to periodically pick up not only scrap casings at the waterfront terminal, which was authorized by his employer, but also newly recapped tires. The power shop foreman would then, several days after each pick-up, go to the Pennsylvania firm, where he was paid in cash for the recapped tires. According to management personnel at the Pennsylvania concern, the power shop foreman stated he was a representative of the waterfront terminal.

The power shop foreman and the maintenance supervisor have been indicted by a Hudson County Grand Jury for theft and conspiracy. The criminal cases are pending.

Since both foremen are longshoremen registered by the Commission, administrative proceedings have been instituted to determine whether their licenses should be revoked. They are each alleged to have misappropriated over 400 truck tires, valued at almost $33,000, from the waterfront terminal.

* * *

Bagging Coffee Thieves

Coffee, one of the Port's leading import commodities, has long been a target for thieves, primarily because of the fungible nature of the goods and the willingness of unscrupulous roasting firms and coffee dealers to purchase the cargo.

In a case this year, the Commission was advised by the owner of a Brooklyn coffee storage warehouse that he was suffering large losses of coffee beans. He estimated the value of his losses over several years at more than $400,000.

Shortly after the complaint, detectives from the Commission's Division of Police established a surveillance of the facility. Early one morning, the agents observed workers loading 120 bags of coffee onto a truck suspected of being utilized to transport stolen coffee. The agents knew this coffee was not scheduled to leave the premises.

The police officers tailed the truck from Brooklyn to a warehouse in Linden, New Jersey, where they seized the 120 bags of coffee and arrested three persons for receiving stolen merchandise. The owner of the Brooklyn warehouse, through markings on the bags, identified the property as being stolen from his custody.

Thereafter, with the assistance of the Union County Prosecutor, the Commission detectives obtained a warrant to search the Linden warehouse. As a result of the court-authorized search, Commission detectives seized an additional 182 bags of coffee and 29 pallets, all stolen from the Brooklyn depository. The value of all the merchandise recovered was approximately $30,000.

Criminal proceedings against the driver of the truck and his helper are pending, both of them having been indicted by a Union County Grand Jury. Charges against the owner of the Linden warehouse were dismissed.

A follow-up of the probe led to the arrest of an employee of the Brooklyn warehouse for his participation in the theft. The employee's registration as a longshoreman-warehouseman has been temporarily suspended by the Commission pending the final determination of administrative charges concerning his license. Both the criminal case and the disciplinary hearing are pending.

* * *

Fish Heist

Perseverance on the part of the Commission's Division of Police and the New York City Police Department paid off in a long-term investigation of a major theft of seafood in the Port.

Over two years ago, two container loads of shrimp, lobster and red snapper, worth $134,000, were stolen from a Staten Island waterfront terminal. The thieves cut the lock on the main gate of the pier complex in the middle of the night and removed the two containers holding the seafood, which had been imported from Brazil.

When the larceny was discovered the following morning, Commission detectives initiated a probe with the assistance of the Staten Island District Attorney and the United States Attorney's Office for the Eastern District of New York. Two days later, Commission agents found the containers, without the contents, in an empty lot on Staten Island. The investigation disclosed that the two refrigerated containers had been taken from the terminal by the thieves utilizing large forklifts to lift them onto flatbed trucks. They were then transported to the empty lot, the seafood removed and transferred to other waiting vehicles, and the containers abandoned.

After questioning dozens of persons and pursuing various leads, Commission officers implicated a former employee of the Staten Island terminal, who had previously worked at the pier as a refrigeration mechanic.

Two years after the theft, the former employee was arrested and charged with participating in the theft of the cargo.

The former employee, while confessing his participation in the larceny, refused to testify against the other members of the gang. He pleaded guilty to the theft and is awaiting sentencing in Federal Court. The investigaton is continuing.

* * *

The Big Squirt

The theft of over $100,000 worth of toy water pistols was solved by Commission detectives after an intensive four-day investigation.

Six hundred and forty cartons of the water guns were being housed in a waterfront container on a storage pier in Brooklyn, having been originally shipped from the Far East to a waterfront terminal in Port Elizabeth, New Jersey. After receiving a report that the container and its merchandise were stolen during the night while the storage facility was closed, a team of Commission officers initiated a probe which led them to a variety store in Brooklyn. During a surveillance of the retail premises, which sold toys and sundry other goods, the officers intercepted a truck delivering 197 cartons of the stolen cargo to the store, arresting the driver of the truck and the owner of the variety shop. They were charged with criminal possession of stolen property, a felony. Approximately $96,000 worth of the stolen merchandise was recovered by the Commission.

Further investigation by the Commission disclosed that the variety store's owner had offered to sell several hundred cartons of the water pistols to a toy distributor, not realizing that the distributor was the consignee who was originally supposed to receive the goods.

* * *

Credit Card Caper

A complaint to the Commission by the manager of an imported car preparation station in the Port that a credit card application in his name had been submitted to a bank without his authorization led to a joint investigation by four government agencies, the Commission, the U.S. Postal Inspection Service, the New Jersey State Police and the U.S. Secret Service.

Commission detectives contacted the bank and ascertained that requests for credit cards in the names of four employees of the imported vehicle terminal had been sent to the bank, all with the same return address in Belleville, New Jersey. None of these employees had in fact applied for such cards and none resided at or had any relationship with the Belleville address.

Agency clerks then examined the Commission licensing files of all employees working at the facility and discovered that the Belleville residence was listed as a "nearest relative contact" on a New Jersey State Police Investigation Unit fingerprint card filed by a pier guard working at the imported vehicle center.

Arrangements were then made with the bank to process the credit card application submitted in the name of the manager of the vehicle preparation center, and a letter was sent to the Belleville address by the bank advising that the approved card was ready to be picked up at one of the bank's branches. Several days later a telephone call was made to the bank branch inquiring about the card; the caller identifying himself as the manager of the auto center. A surveillance of the bank was accordingly established by the Commission and the Secret Service. However, no one came to claim the card.

Further inquiry by the investigative team disclosed that an oil company credit card had been issued in the name of the manager of the auto pier, without his knowledge, and that fuel purchases and vehicle repairs at a particular gasoline station in Newark, New Jersey, had been paid for through the use of the oil company card. Interviews of the mechanics at the gasoline station disclosed that the motor vehicle operator's license number of the suspected pier guard appeared on one of the charge slips as identification for requested repair work.

A photographic "line-up" of pictures of six different persons was then prepared by Commission detectives and the pier guard was identifyed by two employees of the gasoline station as the person who used the oil company credit card.

At the same time, the law enforcement group learned that a credit card application in the name of another employee of the imported auto center

THE JERSEY JOURNAL

Longshoremen charged with theft of tires

By Stan H. Eason
Journal staff writer

The continuing investigation into recent thefts at Global Terminal in Jersey City resulted in the arrest of two longshoremen, who are charged with stealing $33,000 worth of newly recapped tires, police said.

John Giannotta, 45, of Monroe Township, and Joseph Grosso, 45, of Middletown, were arrested yesterday after a joint surveillance by the New York-New Jersey Waterfront Commission and the Jersey City police.

The arrest of Giannota and Grosso comes five days after the arrest of Donald Nichole, a 51-year-old Pennsylvania trucker apprehended by the commission for carrying newly recapped tires in a truckload that was to only contain old tires, police said. The cases are linked, an official said.

Giannota, a power foreman for Global Terminal, and Grosso, the TIR foreman fo A.G. Maintenance, were charged with conspiracy, theft and receiving stolen property. Both have been longshoremen for more than 10 years.

Jerome Klied, deputy executive director and spokesman for the Waterfront Commission, said his agency will review the incident and determine whether the pair's longshoreman registrations are revoked.

Assistant Deputy Chief James McGowan, who headed the operation, said Giannota arranged to receive $17,500 in proceeds from the recent theft of tires, which he said began July 8 and ended July 5 with the arrest of Nichole.

"We're not sure that Global knew the tires were missing," Klied said.

Giannota and Grosso were processed at CJP Court in Jersey City. Bail was set at $5,000, with a 10 percent option, police said. Commission detectives responsible for the arrests were Thomas Barr, William O'Donnell and Bill Hamalaimen, while Jersey City Detective John Riggs assisted.

The Star-Ledger

6 men plead not guilty to charges on Essex-Hudson gambling ring

By BARRY CARTER

Six men pleaded not guilty yesterday in Superior Court in Newark on charges of operating an illegal numbers operation that authorities say grossed nearly $1 million a month in Essex and Hudson counties.

Essex County Acting Prosecutor James F. Mulvihill said the men were arrested Monday in Newark and Hoboken during a raid and arraigned before Superior Court Judge Joseph A. Falcone.

The suspects were identified as Samuel Siccardi Jr., 30, a roofer, Joseph Mascolo, 59, a security guard, Robert Capelli, 49, a trucking company dockman, and Richard Wickham, 50, an emergency medical technician, all of Hoboken; Bennie Allen, 55, a health care worker who lives in Irvington and Patsy Cerqua, 49, a real estate salesman residing in Kenilworth.

Mulvihill said the arrests resulted from a three-month investigation that began when the Waterfront Commission of New York Harbor notified his office of alleged illegal activity at Port Newark and in Hoboken.

Essex County Assistant Prosecutor Fred Franco said during the investigation authorities followed Cerqua to the Ironbound section of Newark, where he would accept illegal bets on a public phone.

Afterward, Franco said Cerqua went to the Grand Street Boy's Club in Hoboken to deliver the bets.

Franco, who is the director of the gambling unit in the prosecutor's office, said search warrants were obtained Monday and the raid conducted about 2:15 p.m.

He said Cerqua was arrested at the same phone booth in Newark and the five other men were apprehended at the club.

Franco said authorities confiscated more than $7,000 in cash and slips for $250,000 in illegal lottery bets.

"Based on the records confiscated, it is the opinion of our office that this operation was accepting $250,000 in illegal bets a week," Franco said.

He said the club, which had betting slips on the floor and in the ceiling, was the headquarters for bets to be dropped off and taken by the phone.

"These individuals are pick-up persons and workers in a large-scale illegal numbers operation," Franco said.

He said the surveillance, which was conducted on 20 occasions, involved the prosecutor's office, State Police, the Waterfront Commission and the Hoboken Police Department.

Franco said the men were charged with conspiracy, to violate the state's gambling laws, promoting gambling and possession of gambling records. Each count carries a maximum five-year prison sentence.

Bail was set at $750 for Wickham and $1,000 for the other defendants.

Longshore foreman nabbed in coffee theft

A longshore foreman was arrested yesterday for allegedly stealing thousands of pounds of coffee from a Brooklyn waterfront storehouse and selling it to a Sackett St. coffee roaster, the Waterfront Commission said.

Waterfront Commission detectives arrested Joseph (Stretch) Susino, 59, of Emmet Ave., S.I., and charged that between 1984 and 1991, he stole more than 500 bags of coffee, each weighing about 150 pounds, from Continental Terminals Inc., where he worked.

Susino is believed to have been aided in the thefts by Dennis Deroma, an assistant foreman at Continental Terminals, who was shot dead at the warehouse Feb. 12.

There were no arrests in the slaying.

The Waterfront Commission charged that Susino sold the coffee to Anthony Viola, of Blue Chip Coffee Co.

Viola is under federal indictment in Brooklyn, for conspiracy to possess large amounts of marijuana and cocaine and for possession of stolen coffee and clothing. He was arrested last year by Waterfront Commission detectives, U.S. Customs Service agents and U.S. Drug Enforcement Administration officials.

The commission values the coffee allegedly stolen by Susino at more than $75,000.

News Wire Services

ILA local loses harbor commission lawsuit

By Steven Kalcanides
Journal staff writer

A Brooklyn longshoremen's local on trial in Manhattan attempted to get the Waterfront Commission of New York Harbor to pay for costs incurred as a result of a federal suit, but a judge ruled against the local.

International Longshoremen's Association Local 1814 had initiated a third-party suit against the commission, saying the agency failed to disclose the results of its investigations into alleged mob influence at the local.

The Brooklyn local had maintained that its failure to take corrective action on the allegations "was occasioned solely by the neglect, failure and/or refusal of the commission to disclose the results of its investigations," according to the most recent annual report of the commission.

One of the many allegations brought by the U.S. government against the local concerned charges that the ILA Local 1814 officers and executive board failed to take action to rid the local of alleged mob corruption.

The local had said that of the five racketeering charges brought against it, three were completely derived from investigations by the commission since 1978, the results of which were never disclosed to the local.

The commission moved for a dismissal of the complaint, saying the suit was of an "absolutely baseless nature."

The commission had said in its preliminary statement to the court that 1814 defense attorneys were involved in ongoing litigation involving some of the investigations and that the local resisted efforts by the commission to interview Brooklyn longshoremen in relation to an alleged contribution scam.

"It is certain that Local 1814, its executive board and their counsel had more than enough knowledge to conduct internal investigations into that which was the subject of commission inquiry," said the agency.

Also, as a law enforcement agency, the commission had no duty to reveal the results of its investigations to the local, the commission said.

District Judge Leonard B. Sand, who is currently presiding over the government's case against ILA Local 1814, wrote in an opinion of the third-party suit that the action against the commission was "flawed."

"First, there is no right to indemnification or contribution in a civil RICO action," he wrote. "Second, it is the heart of the government's claims against Local 1814 that its officers failed to act despite facts and circumstances of which they had actual knowledge or which they should reasonably have known."

Sand dismissed the suit saying the local failed to allege a viable claim against the Waterfront Commission.

Since the government brought action against ILA Local 1814 and five other locals -- including a Bayonne and North Bergen local --four locals and 32 individual defendants have settled.

Seven ILA Local 1814 officials are still on trial in the civil action at the U.S. courthouse in Manhattan, which is scheduled to conclude soon so that the defense can begin calling witnesses on its behalf.

Settlements have yet to be reached between the government and the following 1814 officials: Frank Lonardo, president; Louis Pernice, secretary-treasurer, and Anthony Pimpinella, executive vice president.

Also, Joseph Colozza, vice president; Joseph Randazzo, vice president; Frank Scollo, administrator, and Anthony Ciccone, administrator.

2 Jerseyans linked to pot

By AL FRANK

Two New Jerseyans were among 12 men charged with smuggling narcotics in ocean cargo shipped through Port Newark and the Red Hook terminal in Brooklyn, authorities announced yesterday.

The New Jersey defendants, Gerard Petrozelli of Willow Avenue in Hoboken and Fred Rosen of Attert Road in Mahwah, were charged with attempting to smuggle about eight tons of marijuana in a cargo container of surgical gloves.

The container was intercepted at Red Hook in June by agents of the Waterfront Commission of New York Harbor, the Customs Service and the federal Drug Enforcement Administration.

According to the Waterfront Commission, Petrozelli, 41, is the owner of a Hoboken construction company, and Rosen, 51, is president of Rosen Enterprises, a trucking and warehouse company in Elizabeth. The waterfront commission is charged with policing the Port of New York and New Jersey's cargo piers and licensing stevedores and their employees.

A federal indictment charged the two participated in the smuggling scheme with Anthony Viola, Gaetano Izzo and Vincent Sorrentino, all of Brooklyn.

Authorities said Viola led an organization that smuggled large shipments of marijuana and cocaine from Colombia into the United States and also stole waterfront cargo.

Izzo and Viola also are charged with attempting to smuggle 730 pounds of cocaine in two coffee shipments imported from Colombia through Port Newark last May and in November 1990.

It was the November shipment that triggered the investigation.

Rosen and Viola also are among five defendants charged with receipt and possession of stolen containers of coffee beans, pants and belts.

According to authorities, Viola ran the drug trafficking and stolen property enterprises from his wholesale coffee businesses, Blue Chip Coffee Inc. and Cafe Nadia in Brooklyn.

Staten Island Advance

Cops hook suspect in fish theft case

Man charged with stealing containers

BY ADVANCE STAFF WRITER

Detectives yesterday reeled in a Randall Manor man as their suspect in the theft of two containers filled with frozen lobster, red snapper and shrimp from the Howland Hook Marine Terminal in September 1989.

Detective James K. McGowen Jr., a detective in the organized crime unit of the New York-New Jersey Bi-State Waterfront Commission, arrested Raymond Lamas, 45, in his apartment at 218 Hart Blvd. on charges of conspiracy and theft of property traveling in interstate commerce.

Lamas, who was described as an associate of the Bonanno crime family, was arraigned in Brooklyn federal court. He was released after posting a $100,000 bond.

James Sullivan, chief of police of the Waterfront Commission, said Lamas was a former dock laborer and mechanic at the terminal.

After a joint investigation between his department and the U.S. Attorney's Office in Brooklyn, they determined that on the evening of Sept. 7, 1989, [illegible] others broke into the [illegible] Sullivan said. The group then removed two 20-foot cargo containers filled with 30,000 pounds of frozen shrimp, lobster and red snapper that had been imported from Brazil, he said. The haul was worth about $150,000, investigators said.

They placed the containers on two flatbed trucks and drove to Englewood Avenue in Charleston, where they divided the seafood and transported it off Staten Island.

The investigation is continuing, McGowen said.

...s nab suspect in coffee, drug conspiracy case

Oakwood man worked in Brooklyn

By DEAN BALSAMINI
ADVANCE STAFF WRITER

A trail of stolen coffee beans, cocaine and murder yesterday led to the arrest of a longshoreman from Oakwood Beach on conspiracy and theft charges, federal officials said.

Joseph "Stretch" Susino, 59, of Emmet Avenue, was arrested at Continental Terminals in Brooklyn at 9 a.m. by Detective James K. McGowan of the Organized Crime Drug Enforcement Task Force. Continental Terminals is a warehousing firm that stores imported coffee and cocoa beans.

An investigation into waterfront thefts headed by the Waterfront Commission of New York Harbor uncovered that Susino, a foreman for Continental, had been stealing coffee from his employer and selling it to a Brooklyn coffee roaster, McGowan said.

"This investigation has been going on for a number of years. It's still going on," McGowan said.

The Organized Crime Drug Enforcement Task Force, U.S. Customs Agents and Drug Enforcement Administration officials participated in the joint investigation, McGowan said.

Waterfront Commission police estimate that between 1984 and 1991, Susino conspired to steal more than 500 bags of coffee, each weighing about 150 pounds, and then sold them to Anthony Viola, the owner of Blue Chip Coffee.

The coffee is valued at more than $75,000.

Viola, whose company was located on Sackett Street, is currently under indictment in the United States District Court for the Eastern District of New York for conspiracy to possess 17 tons of marijuana, 1,200 pounds of cocaine, and for the possession of stolen coffee and clothing, McGowan said.

Susino reportedly was assisted in the thefts by Dennis DeRoma, an assistant foreman at Continental Terminals. DeRoma was found murdered at the warehouse, his body riddled with bullets, on Feb. 12. The murderer remains at large.

The Journal of Commerce
and Commercial

Early Testimony in NY Docker Trial Focuses on Low-Level Union Officials

By ALAN ABRAMS
Journal of Commerce Staff

NEW YORK — There was one thing missing during the first days of a civil trial in New York where the U.S. government is seeking to overthrow the leadership of a Brooklyn longshoremen's union local: Testimony about the activities of those International Longshoremen's Association leaders.

Instead of trying to show that the union leaders themselves engaged in illegal activities, the government is introducing evidence that purports to show a pattern of criminal activity existed on the waterfront and that the union leaders had knowledge of those activities and failed to take action to stop them.

The first few days of testimony in the suit filed under the Racketeer Influenced and Corrupt Organizations Act (RICO) have focused on the activities of two low-level, local ILA leaders. Neither of the two are active in union matters anymore, and one of them is now dead. Vincent James Rotundo, who was 58 at the time, was executed mob-style while sitting in his car outside his Brooklyn home early in January 1988. A package of squid was found in his lap.

Jesse Hyman testified that he and Mr. Rotundo were involved in a series of illegal activities together, including labor racketeering. Mr. Rotundo, an organizer with Brooklyn Local 1814, was associated with the New Jersey-based DeCavalcante crime family, Mr. Hyman testified.

Mr. Hyman, a dentist, entered the government's witness protection program at his own initiative after serving 40 months of a 30-year sentence for loansharking. He had testified in a earlier criminal trial against two International Brotherhood of Teamsters officials who received sentences of over 10 years.

On Tuesday, Stephen Mutone, a stocky and muscular detective with New York's Waterfront Commission, testified about the six months he spent during 1986 and early 1987 as an undercover agent in Brooklyn. That investigation led to Gregory Lagana pleading guilty to a state misdemeanor charge for accepting $400 from Mr. Mutone in return for the promise of a job at the now-defunct Fishport in Brooklyn's Erie Basin.

In a thick New York accent, Mr. Mutone spoke of how he befriended Mr. Lagana, who gained him admission to a social club at 143 Pioneer St., near the Red Hook Container Terminal. They both engaged in illegal gambling there, said Mr. Mutone.

Mr. Hyman said that while organized crime figures had helped him obtain franchises to provide dental services for various unions' locals, they turned him down when he asked about the ILA dental plan.

He said he spoke to a son of Teddy Gleason, long-time ILA president, about pensions at a political fundraiser for Geraldine Ferraro, but he could not remember the son's name and he said there was no follow-up to the conversation.

Mr. Rotundo could only be found at his desk in Local 1814's offices from 9:45 a.m. until noon, Mr. Hyman said. Even though he was on the union payroll, Mr. Rotundo spent the rest of his business days conducting personal business in restaurants and at a social club he owned in Brooklyn, said Mr. Hyman.

NEW YORK POST
LATE CITY FINAL

Cops get drop on water-pistol thieves

Stop, or I'll squirt!

The Waterfront Commission said yesterday it made two arrests and seized $100,000 worth of stolen weapons — water pistols.

Albert A. Torino, 50, and Joseph Saranga, 45, both of Brooklyn, were charged with criminal possession of stolen property for allegedly taking 640 cartons of the toys.

The commission said the toys were taken from a container on a Brooklyn pier earlier this week.

Officers watching a variety store on Pitkin Avenue in Brooklyn saw a truck being driven by Torino delivering 197 cartons of the stolen merchandise to the store, which is owned by Saranga, the commission said. Authorities recovered $96,000 worth of the stolen merchandise.

Post Wire Services

Waterfront Commission In NY Arrests Docker

Knight-Ridder Financial

NEW YORK — The Waterfront Commission of New York Harbor said a longshore foreman was arrested for conspiring to receive and possess hundreds of bags of coffee stolen from a Brooklyn waterfront warehouse at which he was employed.

Taken into custody by Waterfront Commission detectives was Joseph "Stretch" Susino, 59 years old, of 127 Emmet Ave., Staten Island, N.Y.

An intensive investigation by the commission into waterfront thefts revealed that Mr. Susino, employed as a foreman by Continental Terminals Inc., a warehouse firm storing imported cocoa and coffee beans, had been systematically stealing coffee from his employer and selling it to a Brooklyn coffee roaster.

Commission police estimate that between 1984 and 1991, Mr. Susino participated in the removal from his employer's premises of more than 500 bags of coffee, each weighing about 150 pounds, and then sold them to Anthony Viola, the owner of Blue Chip Coffee, a roaster of coffee beans.

Mr. Viola, whose company was located on Sackett Street in Brooklyn, is currently under indictment in the U.S. District Court for the Eastern District of New York for conspiracy to possess large amounts of marijuana and cocaine and for possession of stolen coffee and clothing, having been arrested last year by Waterfront Commission detectives, U.S. Customs agents and U.S. Drug Enforcement Agency officials.

Trucker is arrested for taking new tires

A Pennsylvania trucker was arrested on theft charges Thursday night at Global Terminal in Jersey City when it was discovered he had a shipment of new tires hidden in his haul of garbage, police said.

Donald Nichole, 51, of Freemansburg, Pa., was arrested Thursday afternoon by patrolmen of the Waterfront Commission of New York after a surveillance operation at Global Terminal on Port Jersey Boulevard, police said.

According to police, Nichole only had orders to remove old tires slated for disposal, but officers found new recapped tires in his truck, police said.

Prober links Bayonne man to mob, hirers

By Steven Kalcanides
Journal staff writer

NEW YORK — A Waterfront Commission investigator testified in federal court yesterday that Joseph "Pepe" La Scala of Bayonne is a Genovese crime family soldier who exerts "strong influence" over the waterfront and hiring agents there.

Detective Charles Dugan, a 28-year veteran of the Waterfront Commission, said surveillance programs in Bayonne have shown LaScala in the company of at least one hiring agent — Joseph V. Lo Re.

An FBI affidavit identifies Lo Re and Nick Furina, employees of Universal Maritime Services, as alleged associates of the late reputed mobster John DiGilio, who was said to have run various rackets.

Both Lo Re and Furina have been issued temporary licenses to operate as hiring agents, according to a Waterfront Commission official, since neither man has any convictions to warrant revoking or denying them licenses.

Lo Re and Furina are employed by Universal, based in Jersey City, but work at the Bayonne MOT, where Universal has a stevedoring contract with the U.S. Army.

MOT officials declined to comment on the allegations made by Dugan, saying hiring agents are not employed by the Army but by a private contractor. Universal Maritime Services officials could not be reached for comment.

Hiring agents do the hiring for a stevedoring or shipping firm and are representatives of management, said Jerome J. Klied, deputy executive director of the Waterfront Commission.

Dugan said he and other commission detectives have seen LaScala in a car registered to Vivian Furina, Furina's wife.

Assistant U.S. Attorney Chad Vignola said yesterday the government is trying to establish that some relationship exists between LaScala and Furina.

"To my knowledge, Mr. LaScala is a soldier in the Genovese family and exerts strong influence on the waterfront and the hiring agents," Dugan said yesterday. He has kept surveillance on LaScala for about five years, he added.

Dugan said LaScala took over DiGilio's alleged rackets on the Bayonne waterfront following DiGilio's murder in May of 1988. Dugan said surveillance has shown that LaScala has been meeting with Lo Re and George Weingartner, another reputed DiGilio associate, at various times.

Weingartner and Lo Re have been seen together at the ILA Local 1588 office in Bayonne, he said, and at other locations.

U.S. District Judge Leonard Sand, presiding over the government's civil suit against ILA Local 1588, interjected that the government is not trying to claim that any illegal activity was observed by the investigators, only that some sort of relationship existed between the people observed.

Donna Newman, co-counsel for ILA Local 1588, objected to submission of the surveillance records as government exhibits, saying they were prejudicial. But Sand overruled her several times.

She asked Dugan if he had conducted a surveillance of Mrs. LaScala. Not formally, he answered. She also asked him if he knew if Mrs. LaScala and Mrs. Furina were good friends. Dugan said he didn't know.

Newman asked if LaScala, his wife and their daughter were in the Furina car because of Mrs. Furina's friendship with LaScala's wife, and for no other reason. Dugan said he didn't know.

Dugan said he was familiar with LaScala and understood that the Bayonne man was not an officer of ILA Local 1588 nor was he a member of the local.

During a surveillance on June 28, 1989, LaScala was observed meeting with Weingartner at a local restaurant at about 8:30 a.m., Dugan said. Shortly afterward, Lo Re entered the restaurant, he added.

He's gill-ty, cops charge

Reputed mobster Raymond Lamas doesn't sleep with the fishes, police say, he steals them.

Yesterday, Waterfront Commission organized crime detectives arrested Lamas, a 45-year-old reputed Bonanno crime family associate from Staten Island, and charged him with swiping 30,000 pounds of frozen shrimp, lobster and red snapper — in two refrigerated containers — from Howland Hook Marine Terminal.

The seafood was valued at $134,000 and the containers at $18,000 each.

Suspect linked to killings

Bodies of two women found in Cadillac he parked in lot

By GENE MUSTAIN
Daily News Staff Writer

The accused killer of a Brooklyn mother and daughter spent $100 a month to park a Cadillac in which the bodies were hidden, the Daily News has learned.

Two bodies believed to be those of the victims were found yesterday in the car that was registered in the suspect's name. Sources said he had been "religiously paying" for the parking spot in an open lot eight blocks from his home since April 1990.

Investigators were baffled that the suspect would pay by check to park the car containing the bodies while he knew he was being probed. "Sometimes we're wrong when we assume targets use the same logical thought processes that we do trying to catch them," one investigator said.

The suspect, Demetrio Lifrieri, 42, was arraigned yesterday and held without bail as cops pondered where the bodies of Rosemarie Vasquez, 30, and her mother, Rose Santoro, 64, were hidden prior to April 1990.

The women disappeared in September 1988, after the younger victim complained to friends that she had loaned Lifrieri nearly $40,000 when he asked to marry her, but that he had changed his mind after getting the money.

The News reported on Tuesday that Lifrieri was arrested on murder charges at his Borough Park home Monday night — an unusual development because the bodies had not been found.

But late Tuesday night, an anonymous caller referring to The News' article called the police "Crimestoppers" hotline and said the car was parked in an open lot on 66th St. in Bay Ridge and that the bodies were in its trunk.



Rosemarie Vasquez

The bodies, carefully wrapped in plastic, were taken to the Kings County Hospital morgue. They have not been officially matched with dental records yet, but investigators are certain they are those of the missing women.

Hunt finally ends

The discovery ended years of aching uncertainty for Gerald Vasquez, Rosemarie's father and Rose's ex-husband. Vasquez and his second wife, Helen, found some of the evidence that led police to Lifrieri.

The couple, who found documents showing Lifrieri had borrowed the money, were notified at dawn yesterday by Roland Cadieux, a private detective they hired.

"My husband was in tears because I don't think he ever felt they would find the bodies," said Helen Vasquez. "There is grief, but also a sense of relief that we got our wish. We can give them a proper burial."

Ironically, Gerald Vasquez introduced the suspect to his daughter several years ago. The two men became acquainted while working for separate companies on the same small stretch of Sackett St. in the Gowanus section.

In another twist, it was learned that cops believe the victims were murdered in the same area, in a coffee warehouse where Lifrieri, who had become a self-employed coffee caterer, hung out.

In July, the Blue Chip Coffee Co. warehouse was raided by a strike force of cops, federal drug and customs agents and investigators from the Waterfront Commission conducting a separate probe of Anthony Viola, its owner.

Evidence showing the victims had been inside the warehouse was uncovered, sources said. During their investigation, Gerald and Helen Vasquez also talked to relatives of Lifrieri, who complained that Rosemarie had gone there and yelled at him about her money.

In court papers filed yesterday, Detective Frank La-Barbera said an informant told cops that Lifrieri choked the victims to death.

THE JERSEY JOURNAL:

Longshoremen decreased since 1955

By Steven Kalcanides
Journal staff writer

The number of longshoremen in New York Harbor has plummeted since the 1950s, from 31,500 registered men in 1955 to only 4,500 in 1990, according to the latest Waterfront Commission of New York Harbor statistics.

Most of the decline has been directly attributed to automation and containerization of bulk cargo, which began in the 1960s. Another factor has been the waterfront agency's efforts to weed out unregistered workers.

During the early 1950s, an estimated 50,000 men sought work on the piers even though only some 25,000 jobs were available, according to Jerome J. Klied, deputy executive director of the Waterfront Commission.

The bi-state agency, based in New York City, was created in 1953 to regulate the number of longshoremen who work in the Port of New York and New Jersey, which receives billions of dollars per year in goods.

As of Sept. 27, some 3,000 deep-sea longshoremen were registered by the agency. Another 1,068 are checkers, 2,27[illegible] are maintenance workers, 28[illegible] are pier superintendents, 17[illegible] are hiring agents, and 419 are port watchmen.

There are 69 registered stevedoring concerns operating in the port as well, said Klied. Stevedores are the companies that pay the longshoremen to load and unload ocean-going vessels.

Longshoremen require a waterfront pass from the agency to work on the piers in New York and New Jersey. The agency has tried to cut down on the number of moonlighters protect the jobs of career longshoremen, said Klied.

DAILY NEWS
Forward With New York

He tied knot, didn't dump bodies

By GENE MUSTAIN
Daily News Staff Writer

Police investigating the slaying of two Brooklyn women got a key break from an informant who said he had turned down a request to help dispose of two bodies because he was too busy planning for his wedding, the Daily News has learned.

The informant told the story to investigators for the state's Waterfront Commission, who with federal agents were conducting a separate probe of alleged drug dealing and hijacking by associates of the man eventually accused in the slayings.

'Getting married'

The informant said one associate of the suspect, Demetrio Lifrieri, made the request on Lifrieri's behalf but did not identify the victims.

"But I told him I couldn't do it because I was getting married that weekend," the informant said, according to sources.

After learning from a private detective that two women — Rosemarie Vasquez, 30, and her mother, Rose Santoro, 64 — had disappeared and were feared slain, Waterfront Commission investigators passed the tip to police.

At first, the information didn't add up because the informant recalled that the conversation took place shortly before his marriage in September 1989 — not September 1988, when the women disappeared.

Wrong wedding date

With a little prodding from his wife, however, and a copy of his marriage license, the informant realized that he had been married in 1988, not 1989. "We're not sure how long this marriage will last," one cop cracked.

Lifrieri, 42, was arrested and charged in the slayings earlier this week, and yesterday several of his associates were among 13 men indicted on numerous federal drug dealing, hijacking and weapons charges.

"This is a classic example of across-the-board cooperation between law enforcement agencies," Brooklyn U.S. Attorney Andrew Maloney said at a news conference attended by agents of the federal Drug Enforcement Administration, the Waterfront Commission, the U.S. Customs Service and the city Police Department.

Among those indicted was Anthony Viola, the owner of a warehouse where the slayings are believed to have occurred. Lifrieri, a coffee caterer, sometimes worked for Viola and spent time at the warehouse.

I.D.s confirmed

Meanwhile, the medical examiner's office yesterday confirmed that the two bodies found early Wednesday in a Cadillac registered in Lifrieri's name were those of the mother and daughter.

The identifications were made through dental records. The mother died from "blunt force trauma" to the neck, and the daughter was strangled.

The Brooklyn district attorney's office had been preparing to prosecute the case without the bodies — a rare and difficult prosecution — based partly on blood samples found during a raid on Viola's warehouse.

THE JERSEY JOURNAL

Trial of ILA locals takes a rest until Friday

By Steven Kalcanides
Journal staff writer

The government and defendants in the civil suit against two International Longshoremen's Association locals in Brooklyn and Bayonne will get a rare rest this week as only one court session is planned.

After almost two full months of hearing testimony from dozens of witnesses in the government's case against ILA Locals 1814 of Brooklyn and 1588 of Bayonne, the only planned testimony this week is Friday.

Four government witnesses involved in the Bayonne portion of the case are scheduled to take the stand Friday, although one, an unemployed longshoreman, has been reluctant to testify.

The government Friday expects to call Jay Zimmern, general manager of Prolerized Schiabo-Neu of Jersey City, and Kevin Trant, an operations manager for the waterfront firm, to take the stand.

Zimmern has been general manager of the scrap metal recycling and processing company since 1972. Most of his testimony last month focused on the company's dealings with longshoremen who worked at the firm's pier.

Also scheduled to offer testimony that day is Howard Zuckerman, an attorney in the licensing division of the Waterfront Commission of New York Harbor, a bi-state agency created in 1953 to license longshoremen.

The fourth scheduled witness is Jude James Tiner, a longshoreman who invoked his Fifth Amendment rightagainst self-incrimination when he first took the stand a few weeks ago.

Tiner, who told U.S. District Judge Leonard B. Sand last month that he was unemployed, was scheduled to testify in the U.S. Justice Department's case against the Bayonne local twice last month.

The first time on the stand, in mid-October, Tiner invoked the Fifth Amendment in refusing to answer any questions put forth by government attorneys.

The second time, on Oct. 28, Tiner's attorney, Bruce Maffeo, obtained a two-week delay to review government documents pertaining to his client.

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.

Maffeo told Sand he wanted to know the specific areas the government was looking to question his client on. He said Tiner's deposition was wide-ranging in scope and covered his criminal record going back to the 1970s.

Assistant U.S. Attorney Chad Vignola has charged in court that a former employee of Prolerized Schiabo-Neu held a no-show job on the waterfront for several years until his retirement on 100-percent disability.

Vignola had charged last month that George Lachnicht, a retired longshoreman, held a position at Prolerized Schiabo-Neu from 1972 to 1989 that did not require him to be at the company pier for days when ships were not in.

An FBI affidavit said Lachnicht has had a long association with Weingartner, a former Bayonne Police sergeant who works on the waterfront.

According to the FBI affidavit, the FBI learned during the fall of 1989 that Lachnicht would retire following an accident on the docks, allowing Weingartner to assume Lachnicht's position as a hiring agent.

Zimmern said little in court last month concerning the alleged no-show job since he was expected to return for questioning Friday. The government is trying to show that ILA Local 1588 of Bayonne should be placed under a court monitorship to address past allegations concerning mob influence in the local.

had been submitted to a different bank, again using the Belleville address. It was determined by the team to try a "controlled pick-up" of the card once more. Accordingly, a notice was left in the mail box of the Belleville house that registered mail (i.e. the credit card) was available to be picked up at the local post office. Several telephone inquiries were made by a female voice to the post office about the card and, later in the day, the pier guard who had been identified by the gasoline station employees appeared to claim the "registered mail."

The net had closed. A warrant for the arrest of the guard for forgery and theft by deception was issued by a Newark Court Judge and the pier guard was taken into custody. It was determined that the pier guard had obtained at least $7,900 in cash, services and merchandise, including texts from a bookstore at a community college he was attending, by utilizing various illegally obtained credit cards. The guard admitted that he was in the country illegally (his student visa having expired), and that he had used his brother's identification to obtain employment.

The criminal case is pending.

* * *

Illegal Lottery

One of the concerns of the New York State Crime Commission which had recommended the creation of the Waterfront Commission was that known criminals had been in control of key waterfront areas and were thus able to engage in such lucrative illegal activities as gambling. Indeed, several years after the enactment of the Compact, it was amended to make a conviction for gambling within five hundred feet of a pier or waterfront terminal a specific ground for the suspension or revocation of a license or registration issued by the Commission. The Commission has rigidly enforced this provision.

During the course of an unrelated investigation, Commission detectives noticed a person, long suspected of being involved in various illegal gambling enterprises, meeting on a regular basis with longshoremen. The officers accordingly initiated a series of surveillances in Newark and Hoboken, together with investigators from the Essex County, New Jersey, Prosecutor's Office. Evidence was developed which supported a Commission application to an Essex County Superior Court Judge for an arrest warrant for the suspected gambler and search warrants for two social clubs he was seen frequenting.

The operation resulted in the arrest of six men for illegal gambling. Over 5,200 illegal bets made over two days and $18,600 were seized by the law enforcement officers. It is estimated that the illicit enterprise did several million dollars' worth of business a year.

Tuna Take II

Several years ago the Commission reported the details of its investigation into the theft of $40,000 worth of tuna fish from a New Jersey pier, which resulted in the arrest and subsequent convictions of a dispatcher for a trucking firm and an owner-operator of a tractor used to haul waterfront containers. The larceny had been accomplished through the theft of a "pick-up" order, which gave written authority to remove cargo from the terminal.

This year tuna thieves were at it again. The cargo, stolen from a New Jersey pier, consisted of 1,400 cases of tuna imported from Japan. It was removed by a trucker presenting a fraudulent delivery order, a document granting permission to transport merchandise from the pier. The theft was discovered several days later when another trucker with the genuine delivery order arrived at the terminal to pick up the goods.

Upon receiving notification of the theft, Commission police immediately conducted a search of the various areas near the terminal where containers are stored for short periods of time. The Commission agents discovered the missing load intact. Although the detectives secured the cargo and instructed the operations manager of the storage yard to report all inquiries about the loaded container to the Commission and not to permit its removal, no one came to remove the merchandise. The container and its recovered load were subsequently released to the New Jersey pier for delivery to the owner.

* * *

Sneak Thieves

Each year hundreds of thousands of new road vehicles, from virtually every major foreign car manufacturer, are imported through the Port. Indeed, within the past few years a new marine terminal facility was constructed in the harbor exclusively to handle such imported automobiles and trucks.

To prepare these vehicles for distribution to automobile dealerships, the Port has several vehicle processing companies, all of which are licensed by the Commission. These firms are responsible for the washing and detailing of the cars, repair of any damage, and the installation of such accessories as radios and air conditioning units.

After having been advised by one of these enterprises that several new car radios were missing from its facility, Commission detectives commenced an investigation. It was determined that eight AM/FM radio-cassette combinations, which were to be installed in imported Japanese automobiles, had been stolen. The theft took place during a weekend, when a number of the company's "preparation" employees had been working.

The Commission agents learned that while these radio-cassettes had been stocked in what was thought to be a secure loft, the thieves had gained access by climbing on several pallet loads of supplies to reach the storeroom. The detectives discovered a number of sneaker footprints in the dust on the storeroom floor. They then questioned all the employees who had worked that weekend and developed information leading the agents to a relatively new worker at the processing station, whose job was to install air conditioning in automobiles.

The detectives interrogated the new employee and confronted him with the sneaker prints found on the storeroom floor. The suspect then acknowledged his participation in the burglary and implicated a co-worker at the facility as his partner in the crime. The co-worker, who had a previous arrest for unlawful possession of a weapon, also confessed.

The two employees were arrested and charged with burglary and theft of the radio-cassettes, which were valued at $800. They each received court-ordered "pretrial intervention," thus avoiding criminal sanctions, on condition that full restitution be made to the employer. The Commission had recovered five of the eight stolen radio-cassettes.

Administrative disciplinary proceedings were instituted by the Commission against the employees and their registrations as longshore warehousemen have been temporarily suspended pending the outcome of these proceedings.

* * *

Proceedings Against Pier Guards

One of the original purposes of the Waterfront Compact was to improve the security of cargo moving through the Port by requiring that the guards hired by stevedores and shipping lines to protect freight be licensed by the Commission. The New York State Crime Commission found that the watchman system, as then constituted, was ineffectual since the guards obtained little support from their employers, received minimal or no training to aid them in discharging their responsibilities, and were even often discouraged from reporting thefts.

Under the Commission's licensing program, pier guards are required to possess certain statutory standards, including being of "good character and integrity," and to meet physical and mental fitness qualifications set forth in the agency's regulations. In addition, the agency has established courses of training for the guards.

Unfortunately, on occasion, pier guards engage in the type of conduct they are hired to prevent. During the past year, several waterfront watchmen were apprehended for stealing cargo they were employed to safeguard.

In one case, a guard assigned to protect imported vehicles at an automobile preparation facility on the piers, conspired with his cousin to steal a new sports car, valued in excess of $30,000. The port watchman enabled his cousin to gain access to the terminal by hiding him in the trunk of his car when he drove into the facility to report for work at midnight. The cousin then stole a new automobile, with the guard opening the gate to allow him to leave the pier.

Within a few hours of the theft, the cousin was stopped for speeding in an adjoining town and arrested for receiving stolen property. The local authorities notified the Commission and an investigation ensued. Evidence was developed inculpating the pier guard, who was to receive $2,000 for his participation in the scheme. He was placed under arrest.

The guard, licensed by the Commission, has been temporarily suspended from any employment on the piers pending the resolution of an administrative hearing instituted by the Commission.

Resolving Summer Checker shortages

As stated earlier, under the Waterfront Commission Act the Commission is charged with the responsibility for balancing the size of the longshore and checker Register with the demand of employers for these dock worker services. Under an amendment to the Act in 1966, the agency was authorized to suspend taking applications for registration as longshorepersons or checkers and to make determinations to permanently add persons when and in such number as they are needed. In addition, since its creation, the Commission has had the power to register dock workers on a temporary basis to meet special or emergency needs of the Port.

The Commission keeps daily statistics of the number of deep-sea longshore and checker dock workers employed, and tracks any shortages of labor which may occur in the various pier job categories. These figures are furnished to representatives of management and labor, as well as to several government agencies having an interest in the Port's labor supply.

For the past several years, the Commission has kept an eye on the number of checkers avilable for work during the summer months. Checkers are those specialized dock workers whose duties include tallying the oceanborne cargo in and out of containers and trucks and performing various clerical work at the piers. It has been estimated that

for each checker not available, two or three longshorepersons are not hired. An inadequate number of checkers may result in long lines of trucks awaiting servicing at the piers, delays in cargo reaching its destination and increased payments of overtime wages.

This year, the Commission anticipated temporary checker shortages during the summer months, primarily because of a decline in the number of checkers on the Register and a significant number of checkers scheduled to take vacation. Accordingly, after consultation with management and labor, the Commission, utilizing its special and emergency authority, permitted the temporary registration of 150 persons as checkers for the summer period between July 1 and September 8, 1991. The agency order allowing the special licensing mandated that all persons referred for such temporary registration by a joint board of management and labor be selected in accordance with antidiscrimination laws, take and pass a checker proficiency examination, and be employed only after all eligible permanent checkers were first offered employment. The Commission also required that, if there was insufficient employment for the summer temporary registrants, they be employed on a rotation basis to equalize the amount of work they would receive.

* * *

Licensing

Since its establishment, the Commission has processed over 150,200 applications and reapplications for licenses and registrations. During the past fiscal year, 1,224 applications were reviewed, including 643 for inclusion in the Register as "deep-sea" or ancillary longshorepersons, 143 as temporary checkers, 341 for cargo guard licenses, 51 for licenses as pier superintendents, 27 for hiring agent licenses, 16 for registration as telecommunications system controllers, and 3 to operate as stevedores. The previous year, 1,146 such applications had been processed.

Longshore, checker and telecommunications system controller registrations are issued without termination date. Pier guard licenses are similarly of indefinite duration, provided the licensee periodically furnishes supplemental personal history information, completes a refresher course of training, and meets physical and mental standards established by the agency.

Stevedore licenses expire every third year. Pier superintendent and hiring agent licenses are valid for so long as the licensee continues in employment with the sponsoring stevedore or shipping line.

Under the provisions of the Waterfront Commission Act, no person may have an application for registration or licensing denied without prior notice and an opportunity for a hearing. Similarly, any person holding a license or included in the Register may not be suspended or revoked without notice of the charges and a right to challenge the allegations.

The administrative hearings held by the Commission are conducted in accordance with regulations promulgated by the agency and are open to the public. The judicial officers presiding over such proceedings are selected from a panel of New Jersey and New York attorneys. Applicants and respondents have the right to be represented by counsel of their choice, cross-examine witnesses, and have subpoenas issued by the administrative judges to compel the attendance of witnesses on their behalf.

After the conclusion of the trial, the hearing judge prepares a written report containing findings of fact and recommendations to the Commissioners for disposition of the case. The report is furnished to all parties in interest, who then have the opportunity to file written "exceptions" and arguments with the Commissioners.

The final determination of the proceeding is made by the Commissioners after a review of the entire record and their order in the case is subject to judicial review by the courts of either New York or New Jersey.

In addition to judicial appeal, the aggrieved person may petition the Commissioners for a rehearing or reconsideration of the case, for restoration of a revoked license or registration, or for leave to reapply.

The Commission issued final determinations in 78 administrative proceedings this past year. It denied 30 applications or reapplications for inclusion in the Register, including 29 seeking maintenance or warehouse registration and 1 as a checker. Four applications for licenses as pier guards were denied. Two applications for maintenance registration were granted after hearings, as was 1 for a pier superintendent license. Permanent licenses were issued to 3 stevedore firms.

The agency ordered the revocation of 19 registrations, 5 unconditionally and 14 with leave granted to reapply after fixed periods of time. Fourteen longshore and maintenance registrations were suspended, as were 2 pier guard licenses. Two maintenance registrants were officially reprimanded and the license of one watchman was temporarily suspended pending a hearing.

In addition, the Commission ruled on 35 petitions submitted to it, granting 8 and denying 27. Forty-one determinations were made in ancillary proceedings.

* * *

Pursuant to the Commission's mandate to remove from the Register of "deep-sea" dock workers those longshorepersons and cargo checkers who, without good cause, fail to work or seek employment according to standards established by the agency, the registrations of 121 such persons were cancelled this year.

* * *

Personnel

This year witnessed the retirement of several employees with long and dedicated service to the agency.

James J. McConnell, Director of the Commission's Division of Law, served with the agency for over 30 years. He entered Commission employment in 1961 as an Assistant Counsel, was promoted to Assistant Director of the Legal Division in 1978, was assigned as Acting Director in 1989, and then, a few months later, was promoted to Director of the Law Division. In the 1970s, he was on loan for a one-year period to the Federal Office of Drug Abuse Law Enforcement to assist that agency in the investigation of narcotic violations.

Marvin Weissman, the Director of the agency's Division of Audit and Control, retired after almost 30 years of service. After several years as a private accountant, Mr. Weissman joined the Commission in 1962 as an accountant-auditor. Through a series of promotions, he became chief of the Commission's staff of accountants and, in 1978, was appointed Director of the Division of Audit and Control. As Director, Mr. Weissman was also in charge of the agency's computer operations.

John J. Crann, Jr. retired after 20 years of service as a detective with the agency. Prior to joining the Commission's staff, Mr. Crann was with the Essex County Sheriff's Office in Newark, New Jersey for eleven years. He had also served in the U.S. Army Military Police.

Gladys Garris, secretary to the Director of Licensing and Employment Information Centers, was one of the original Commission employees, having joined the agency in late 1953. She retired after over 37 years of service.

* * *

The Commissioners, Executive Director and staff note with sorrow the deaths of the following persons:

John T. O'Dea had retired in 1973 after 17 years of service as an investigator with the Commission. Prior to his Commission employment, Mr. O'Dea was a police officer with the New York City Police Department for 20 years.

Ruth Anne Bachman served as secretary to the Executive Director for 8 years until her retirement in 1966. Before joining the agency, she was the executive secretary to a New York congressman.

August T. Gylling, Jr. resigned from Commission employment in 1975 after serving 6 years as a Special Agent. He was previously a patrol officer with the Maplewood, New Jersey, Police Department, and a special agent with the New Jersey Department of the Treasury. He also served in the United States Navy on the U.S.S. Nautilus, the first nuclear powered submarine.

Richard G. Denzer served as an Administrative Judge for the agency during a 10-year period. Judge Denzer was previously an Assistant District Attorney in New York County for 23 years, where he was head of the Indictment Bureau and later the Appeals Bureau. He also served as Executive Director of the New York State Temporary Commission on Revision of the Penal Law and Criminal Code. He was a law professor when he was appointed as a Judge of the New York Court of Claims, presiding over the prosecution of narcotic cases.

Richard Moser had served as a special hearing officer for the Commission in 1955 during an investigation of kickbacks by dock workers to obtain work at a naval ammunition pier. He gained national renown in 1951 while Chief Counsel for Senator Kefauver's Committee on Organized Crime.

* * *

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 SCOPPETTA
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, 1991

Balance of funds at beginning of year:		
Cash in checking accounts and on hand	$ 17,526	
Cash in money market accounts	179,957	
Cash in savings accounts	7,649	
Time certificates of deposit	949,586	
	1,154,718	
Less taxes and other withholdings from employees	458	$ 1,154,260
Receipts:		
Assessments on employers of persons registered or licensed by the Commission	5,581,584	
Penalties, fines and miscellaneous income	97,792	
Interest:		
Time certificates	86,003	
Money market accounts	15,109	
Savings accounts	607	5,781,095
		6,935,355
Disbursements:		
Salaries	4,126,363	
Retirement, group insurance and Social Security taxes	907,226	
Rentals	420,265	
General insurance	228,466	
Light, heat and power	78,431	
Repairs and maintenance	20,458	
Furniture and equipment	12,940	
Carfare, auto and travel	59,103	
Communications	47,031	
Special services and supplies	63,486	
General office	31,847	
Printing	8,252	
Hearing officers, auditors and consultant fees	8,595	
Miscellaneous overtime expense	631	6,013,094
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	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

Notes to Statement of Cash Receipts and Disbursements
June 30, 1991

(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.

(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, 1991. 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, 1991 on the basis of accounting described in note 1(b).

KPMG Peat Marwick

August 16, 1991

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, 1991, the balance of this account was $30,800.

(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, 1991 are as follows:

Year ending June 30:	
1992	$ 310,500
1993	414,000
1994	437,000
1995	437,000
1996	437,000
Thereafter	2,346,000
Total minimum lease payments	$4,381,500

COMMISSION DETERMINATIONS

Year Ended June 30, 1991

APPLICATIONS AND REVOCATIONS

	Denied	Granted	Revoked	Revoked L/R	Suspended	Reprimanded	Suspended P/H	Totals
Longshoremen	0	0	0	7	8	0	0	15
Checkers	1	0	1	2	0	0	0	4
Hiring Agents	0	0	0	0	0	0	0	0
Port Watchmen	4	0	0	0	2	0	1	7
Pier Superintendents	0	1	0	0	0	0	0	1
Stevedores	0	3	0	0	0	0	0	3
Maintenance	29	2	4	5	6	2	0	48
Totals	34	6	5	14	16*	2**	1	78

* Includes 12 summary proceedings
** Includes 1 summary proceeding

PETITIONS

	Denied	Granted	Totals
Petitions for Reconsideration	9	5	14
Petitions for Leave to Reapply	4	1	5
Petitions for Rehearing	0	0	0
Petitions to Withdraw	4	0	4
Petitions to Remove Ineligibility	0	0	0
Petitions for Restoration of Registration/License	7	0	7
Petitions to Vacate Temporary Suspension	0	0	0
Petitions for Retention or Reinstatement	3	0	3
Petitions for Stay	0	2	2
Totals	27	8	35

ADDITIONAL COMMISSION DETERMINATIONS

Recommendations for Permanent Registration/License	18
Recommendations to Continue Temporary Permits/Registrations	11
Recommendations to Withdraw Notice of Hearing	1
Recommendations to Issue Notice of Hearing	5
Recommendations to Amend Notice of Hearing	2
Recommendations to Amend Order of the Commission	0
Recommendations to Rescind Order of the Commission	4
Totals	41

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

(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

	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991
Longshoremen	12,237[a]	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]
Checkers	2,584	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]
Hiring Agents	378	369	361	357	339	327	304	291	279	242	242	229	233	185	179	173
Pier Superintendents	337	342	340	357	344	353	341	325	304	298	317	304	302	268	279	278
Pier Guards	894	818	789	750	705	655	635	560	525	491	455	404	387	343	356	391
Stevedore Companies	112	115	113	116	113	109	110	104	101	87	83	80	73	71	69	68
Telecommunications System Controllers																14[c]
TOTALS	16,542	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

(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.

* * *

COMPARISON OF AVERAGE EARNINGS OF LONGSHOREMEN AND CHECKERS

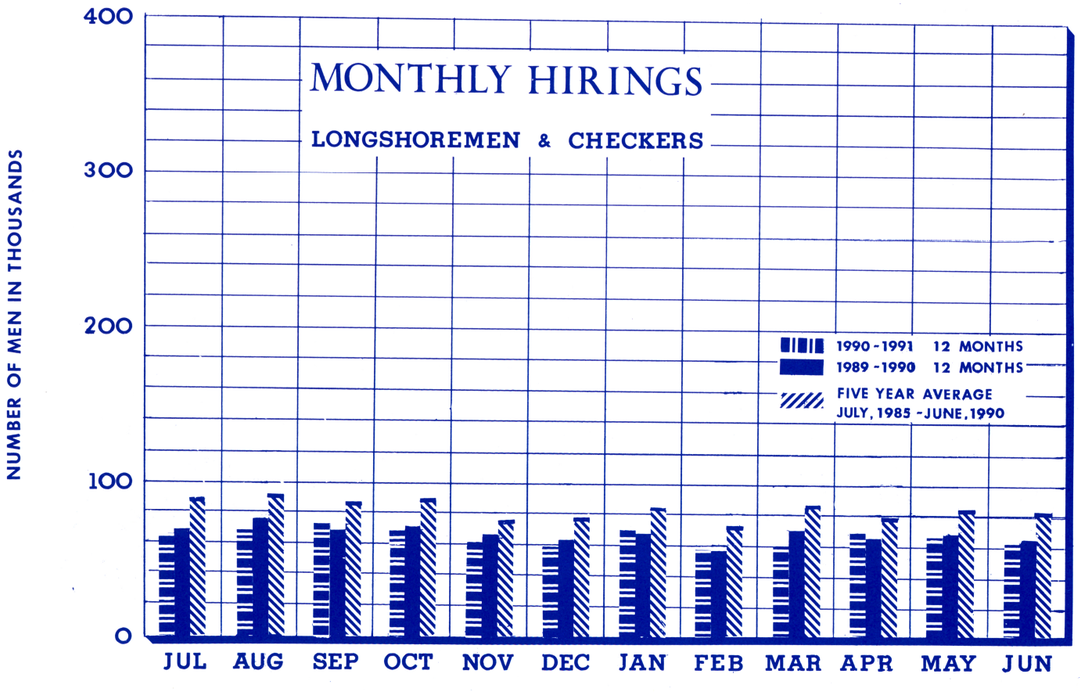
	1954 (*)	1988	1989	1990
Over $50,000	(*)	1,348	1,396	1,568
$25,000 to $50,000	(*)	2,073	1,766	1,306
$20,000 to $25,000	(*)	235	248	227
$15,000 to $20,000	(*)	277	198	275
$10,000 to $15,000	(*)	283	255	226
$ 5,000 to $10,000	3,797	401	353	346
Under $5,000	37,536	1,251	1,139	1,009
TOTAL REPORTED	41,333	5,868	5,355	4,957
Total Earnings	$102,061,108	$185,415,776	$178,645,195	$166,450,724
Total Hours Worked	37,813,991	9,023,512	8,184,485	7,625,570
% Hours Overtime	24.3%	29.7%	33.2%	33.1%
AVERAGE ANNUAL WAGES**	$ 2,469	$ 31,598	$ 33,361	$ 33,579

* 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.

EMPLOYMENT INFORMATION CENTERS

Showing Comparison of Hirings for the years ending June 30th, 1990 and 1991

Center and Location	Piers and Areas	HIRINGS 1990-1991	HIRINGS 1989-1990	Increase or Decrease	% Change	% Share in Port Employment 1990-1991	% Share in Port Employment 1989-1990
Manhattan 261-281 Hudson St.	Manhattan	22,413	23,298	– 885	– 03.80	02.93%	02.91%
Brooklyn 5914 3rd Avenue	Brooklyn & Staten Island	144,442	159,245	– 14,803	– 09.30	18.86%	19.92%
Port Newark 117 Tyler Street	Port Newark & Port Elizabeth	485,567	512,329	– 26,762	– 05.22	63.39%	64.08%
	Jersey City, Bayonne & Weehawken	113,512	104,642	+ 8,870	+ 08.48	14.82%	13.09%
TOTAL—NEW JERSEY		599,079	616,971	– 17,892	– 02.90	78.22%	77.17%
TOTAL—NEW YORK		166,855	182,543	– 15,688	– 08.59	21.78%	22.83%
PORT WIDE TOTALS		765,934	799,514	– 33,580	– 04.20	100.00%	100.00%



×862



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*

Ralph C. DeRose, *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*

Elmer H. Williams, Jr., *Comptroller*

42 Broadway, New York, N.Y. 10004
212-742-9280

