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WATERFRONT  
COMMISSION of  
NEW YORK  
HARBOR

1970-1971

ANNUAL  
REPORT



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# ANNUAL REPORT 1970-1971



THE WATERFRONT COMMISSION OF NEW YORK HARBOR

*To the Honorable Nelson A. Rockefeller, Governor,  
and the Legislature of the State of New York*



*To the Honorable William T. Cahill, Governor,  
and the Legislature of the State of New Jersey*





The most telling tribute to the accomplishments of the Waterfront Commission is that few people recall today the evil conditions existing in the New York-New Jersey Harbor less than two decades ago which led to its creation.

Twenty years ago the news media correctly portrayed the nation's largest port as corrupt and mob controlled. The newspapers, magazines and motion picture industry described the underworld's domination of the port's operations, where extortion and bribery were the accepted methods of doing business, where control of the piers and the hiring were prizes over which racketeers fought and committed murder, where the longshore unions flagrantly disregarded the welfare of their members, and where the shape-up method of hiring produced a chronic oversupply of waterfront labor with 40,000 men each day seeking less than 20,000 jobs, resulting in kickbacks, intimidation and the compulsion to use designated gamblers and loansharks.

As a consequence of these conditions, the waterfront worker's income averaged less than \$2,500 a year and many would steal and commit other crimes to survive. Employment was obtained on a day by day basis and job security was non-existent, causing longshoremen to be poor credit

risks who were compelled to borrow from loansharks rather than from banking institutions. Longshore union funds were looted. Quickie strikes were prevalent. Bookmaking and policy thrived on the docks. Waterfront truckers were forced to pay "public loaders" tribute for all cargo they picked up at the piers. Stevedore companies padded their payrolls with "phantoms" to conceal payoffs and paid bribes to agents of steamship firms to obtain stevedoring business.

These criminal conditions resulted in business leaving the harbor. The Port's physical facilities were deteriorating since it became financially unsound to make capital investments in the Port. The economy of the States of New York and New Jersey was being seriously damaged since the waterborne commerce of the Ports affects the livelihood of millions of people living in the 1,500 square mile area of the Port's district. It has been estimated that one out of every ten people living in the area depends on a job directly related to the Port's business and one out of every four works at a job indirectly deriving income from the movement of the waterborne cargo.

The extreme concern of the States over this situation led to the enactment in 1953 of a compact between them exercising their police powers to regulate the conditions in the Port.

In the past 18 years, the Port's work force has been regularized. Longshore hiring is no longer conducted at the head of the pier by a criminally dominated hiring boss choosing his favorites or those workers indicating they would kick back a portion of their day's wages, but rather in government supervised employment centers with licensed agents of the employer selecting in accordance with a seniority system adopted by the industry. All waterfront workers are registered or licensed to screen those who would violate the law and to control the labor supply and prevent an overabundance of longshore labor. The work force has been reduced from 40,000 men, most of whom were casual laborers, to approximately 18,300 who rely on waterfront work for their livelihood, with most of them being regularly employed at particular piers. The longshoreman now has an average annual income of over \$10,000. He is hired in accordance with a seniority system, has job security, is no longer a victim of the loansharks, and has attained a dignity once not available to him.

The stevedore companies and other firms per-

forming waterfront services are subject to licensing, as are their representatives who supervise the loading and unloading of cargo and the persons they engage to guard cargo. The public loading racket has been banned. Ex-criminals no longer hold important positions in waterfront unions and democratic procedures have been instituted to elect union officers.

Most important, confidence and vitality have been restored in the Port. Within the past decade the Port has seen growth unequalled in its history. Public and private investment has ventured almost five times more on construction in the harbor than any other port in the nation. And, today, its development of special facilities for the container vessels has earned the Port its title of the Container Capital of the World.

This past year more than 56,585,000 long tons of ocean-borne foreign trade, with a dollar value of \$15.44 billion, moved through the Port. During the period of our fiscal year 10,144 vessels arrived in the harbor and 10,210 departed, for an average of one every 25 minutes.



Container yard at Port Elizabeth.



*Licensed hiring agents selecting longshoremen at Commission Employment Center.*

## **THE STATUTORY RESPONSIBILITIES AND ORGANIZATION OF THE WATERFRONT COMMISSION**

As part of the remedial and unprecedented program enacted jointly by the States of New York and New Jersey in 1953 to prevent the Port from losing its position of supremacy was the creation of the Waterfront Commission as a unique regulatory and law enforcement agency of both states.

Among the powers granted the Commission was the authority to license stevedore companies and their pier superintendents and hiring agents; to license pier guards and establish physical and mental fitness standards for the discharge of their duties; to register longshoremen and checkers; to eliminate the "shape-up" system of longshore hiring by the establishment of employment centers throughout both states; to reduce the oversupply of longshore labor by establishing minimum work standards and removing the registration of longshoremen who fail to seek work; to conduct audits of the accounts of waterfront employers to deter and uncover bribes and extortion; to ban persons with serious criminal convictions from holding positions in unions representing waterfront workers; and to maintain civil actions in the courts of either state to compel compliance with or to prevent violations of the remedial waterfront legislation. The Commission was also granted the important power to conduct investigations of waterfront practices generally within the Port and to report to the Governors and Legislatures of both States its recommendations for the improvement of waterfront conditions.

In the course of the Commission's experience in enforcing the Waterfront Commission Compact, the need for additional regulatory authority to effectuate the purposes of the Act became apparent. Upon the Commission's recommendations to the Governors and Legislatures of both States, its investigators were designated police officers in both States, the licensing standards for checkers were raised, and additional categories of waterfront workers, such as chenangoes, container repairmen and weighers, as well as employers, such as waterfront warehouse operators, were brought within the jurisdiction of the statute. Presently pending before the Legislatures is a request by the Commission for authority to adopt mandatory security regulations for the better protection of cargo coming through the Port and other measures designed to aid the waterfront industry in guarding the freight entrusted to it.

The Commission is composed of two Commissioners, one representing each State. Its chief executive officer is the Executive Director. It is composed of six divisions, each acting within certain designated authority. This past year it operated with a staff of 260 persons and expended \$3,727,635, or \$114,639 less than its budget of \$3,842,274. The Commission's budget is financed by assessments on the payrolls of waterfront employers and is reviewed and approved by the States of New York and New Jersey.

The Executive Division of the Commission administers the policies formulated by the Commissioners, supervises the other five divisions, prepares proposed legislation and rules and regulations, authorizes administrative hearings and investigations, administers the Commission's probationary system for those registrants and licensees who are readmitted to the waterfront after being disciplined for misconduct, prepares contracts and leases, handles all litigation, prepares the budget of the Commission and administers all finances.

The Commission's Division of Law participates in investigation of violations of the Waterfront Commission Act and other penal and regulatory statutes concerning the waterfront. Its staff of New York and New Jersey attorneys also conduct administrative hearings held to determine whether licenses and registrations issued by the Commission to waterfront businesses and workers should be revoked, cancelled or suspended for misconduct.

The Investigation Division is responsible for conducting full scale field investigations of waterfront violations and checking pier activities to deter and uncover violations of law and the Commission's regulations. The Division is composed of sixty-four special agents, all of whom have full police power in both States. It has up to date police equipment and operates round-the-clock pier patrols and a communications control.

The processing of applications for licensing and registration by the Commission is charged to the Commission's Division of Licensing. Attorneys assigned directly to this division present evidence in administrative trials to determine whether licenses and registrations should be granted or denied.

This Division also administers the Commission's "decasualization" program which is designed to remove casual labor from the waterfront and keep the labor supply in balance with the needs of the Port.

The Division of Employment Information Centers oversees the hiring of longshore, checker and pier guard labor in the 14 employment centers operated by the Commission in the States of New York and New Jersey. The Division is responsible for the orderly, recorded hiring of such workers on a seven-day-a-week basis, with much of the hiring process being conducted with the use of computers.

The Commission's Administration Division, with its staff of accountants, hearing reporters, stenographers and clerks, services the other divisions. In addition, its accountants audit the books and records of the various waterfront companies subject to the Commission's jurisdiction, participate in investigations conducted by the Legal, Licensing and Investigation Divisions, and are responsible for the administration of the assessments imposed under law.

The hearing officers assigned by the Commission to conduct its administrative trials and make findings of fact and recommendations are not employees of the Commission but are attorneys-at-law admitted to practice in New Jersey or New York and selected from a rotating panel. Any party in interest at a Commission hearing is entitled to be represented by his own counsel, to present testimony in his own behalf and have subpoenas issued to compel the attendance of witnesses upon his behalf. All final determinations upon these hearings are made by the Commissioners and are subject to judicial review in the courts of New York or New Jersey.



*Commission clerks checking longshoremen hiring forms.*

## THE YEAR'S ACTIVITIES

### Law Enforcement

By virtue of its statutory jurisdiction to regulate waterfront conditions in the New York-New Jersey harbor, the Commission is a highly specialized government agency. However, its law enforcement duties encompass a wide variety of criminal activities. Thus, on any given day its special agents may be making arrests for bookmaking and policy on the piers, observing a truck line at a dock to prevent pay-offs for preferential treatment, surveilling a "phantom" who is being paid for unloading waterborne freight from a vessel but who in reality is working on a construction job, checking bank records to ascertain the true parties in interest of a company repairing containers on the waterfront, or apprehending a longshoreman who is leaving a pier with cargo secreted in his jacket. Its attorneys may be trying an administrative hearing being held to determine whether the registration of a checker who together with a truck driver is alleged to have loaded a truck with more merchandise than called for in the pick-up documents should be revoked, or interviewing a witness under oath to ascertain the facts of an assault on the docks, or preparing an appellate brief to defend the Commission's action in suspending the license of a port watchman who has been found violating the Commission's regulations by sleeping while assigned by his employer to protect cargo at night. Its accountants might be auditing a stevedore's records to determine whether certain payments constitute commercial bribery or to ascertain whether a customer is being deliberately overbilled.

To illustrate the scope of the Commission's law enforcement operations, the following is a summary of several investigations conducted this past year.

Having obtained information that gambling activities were being conducted at a restaurant on a Weehawken, New Jersey, pier specializing in the discharge of bananas, Commission Special Agents were assigned to patronize the restaurant in undercover capacities. The overhearing of the placing of several lottery bets led to an on-the-spot arrest by the agents of a longshoreman, who, it was also established, was operating a major loanshark racket on the pier and whose extensive loanshark records indicated one day's collection on usurious loans to total almost \$4,000. The longshoreman was convicted of possession of loanshark records, promoting gambling and possession of gambling records and sentenced to the Hudson County Penitentiary. The Commission's investigation continued even after the longshoreman's apprehension and resulted in a subsequent arrest by the Commission of one of the waitresses at the restaurant, who apparently was part of the same gambling organization, which obviously did not want any break in "service" to its waterfront clientele.

Apparently realizing that the Commission has intensified its drive to thwart gambling operations on the piers, bookmakers and policy operators have taken to setting up business establishments off the docks as fronts for illegal gambling activities to accommodate longshoremen bettors. Two such "fronts" were uncovered and put out of action this past year by the Commission—a luncheonette near a Brooklyn pier and a butcher shop in close proximity to the Port Newark marine terminal. Again acting in undercover capacities, Commission Special Agents developed leads that the owner of the Brooklyn luncheonette was accepting numerous policy bets and that the majority of his customers were workers at a nearby pier. Commission attorneys obtained a search warrant for the premises and, after its execution, the owner was arrested and charged with promoting gambling and possession of gambling records. The Commission's observation of the Newark butcher store indicated that it was being utilized as a "policy drop." Information developed from this investigation not only stopped this operation but several other "policy drops" in New Jersey and resulted in a number of arrests for illegal gambling activities.

Contrary to public belief, the Waterfront Commission has never been granted the statutory authority or duty to protect the cargo being shipped through the Port. The responsibility for safeguarding cargo is that of the shipping industry which employs a private port watchman system. The Commission, however, as detailed in its prior Annual and Special Reports to the Governors and Legislatures, has continually been concerned with incidents of inadequate protection of cargo in the Port, and, within the limits of its authority, has promulgated regulations designed to improve cargo protection and the reporting of thefts. Thus, for example, to assist the Commission in its investigation of waterfront thefts, stevedore companies and their licensed pier superintendents are obligated to report thefts and other losses of waterborne freight occurring under suspicious circumstances; a record is required to be kept by terminal operators of the names of checkers assigned to trucks and other vehicles removing cargo from the piers; and each port watchman assigned by the terminal operator to guard an entrance or exit to a pier is required to record designated information concerning motor vehicles entering and leaving the pier, such as the license plate number. In addition, all licensed port watchmen are required to adhere to specified standards of conduct, as, while assigned as gatemen, to examine a motor vehicle and its contents where there is reasonable ground to believe that the vehicle is removing merchandise without authority, and to maintain a memorandum book to record incidents occurring during their tours of duty.

During the past year the Commission arrested thirty-five persons involved in eighteen major thefts and recovered stolen property valued at \$231,124. Some of these arrests were made while the crimes were being committed; others resulted after investigations by the Commission's staff. Commission arrests for theft include not only persons registered or licensed by the Commission, such as two licensed pier guards seized for the theft of \$1,500 worth of imported china ware from a Port Newark pier they had been assigned to guard, but also persons off the piers, as three men taken in custody at a Brooklyn smelter as they were about to melt copper wiring which had been previously stolen from a Brooklyn waterfront terminal. In addition to its activities concerning large thefts, the Commission's special agents apprehend numerous registrants and licensees for minor pilferages from the waterfront. These persons are brought to administrative hearing by staff counsel to determine whether their registrations and licenses should be suspended or revoked for their misappropriations.

One of the Commission's investigations of a waterfront theft concerned the removal of almost 600 stereo sets from a Brooklyn pier. Obtaining a search warrant for a warehouse on Orchard Street in the lower eastside of Manhattan, Commission investigators recovered a major portion of the stolen cargo, as well as a treasure trove of other stolen goods. This raid also resulted in the arrest of the owners of a retail store in the neighborhood where the stolen property was being sold to innocent purchasers who believed they were doing business with a legitimate business firm. A local truckman was also arrested in this case for illegally removing some of this cargo from the piers.

The Commission's investigations of stolen pier cargo oftentimes result in uncovering other crimes. One such investigation this year led to the arrest of two men and a housemaid for an armed robbery of an estate in Westchester County in New York in which over \$100,000 worth of jewelry had been taken. The maid, an employee at the estate, had passed information concerning the gems to two men, who then broke into the estate and forced the owner to turn over the jewelry after threatening the owner's ten year old child with a gun. One of these men later came under investigation by Commission agents as a suspected "fence" for stolen waterfront merchandise and information developed during the course of this investigation led to the discovery that he had participated in the robbery. In addition to solving this case with the cooperation of the District Attorney of Westchester County and the New York State Police, this investigation also resulted in the recovery of 30 boxes of fur coats, \$10,000 worth of humidifiers and a quantity of tools, all found in a garage owned by one of the men arrested. Also seized, at a variety store operated by one of these men, were hundreds of pornographic books.

In another case, the Commission received confidential information that an organized ring of car thieves was shipping stolen cars through the Port to various destinations in Central and South

America. The Divisions of Investigation and Law instituted an investigation as well as a survey of the methods of shipping motor vehicles through the Port to determine the modus operandi of the gang. As a result of this investigation and survey, the stolen car ring was uncovered and nine men, none of whom were waterfront workers, were arrested. In addition, a total of twenty-six stolen automobiles were recovered by Commission agents. It is estimated that the ring was responsible for the theft and shipment through the Port's facilities of at least one hundred cars stolen in the New York-New Jersey metropolitan area in a five-month period. Most of these stolen vehicles were late model Chevrolets and most were being shipped to the Dominican Republic. One of the men arrested, when interrogated, admitted that he was paid \$500 for each stolen car.

In its last collective bargaining agreement effective October, 1968, the waterfront industry and union agreed that, in view of the decrease in longshore manpower needs because of containerized cargo, those longshoremen who were qualified and unable to obtain work would be entitled to guaranteed annual incomes of over \$9,000. One of the prerequisites for receiving these payments was that the longshoreman had to report each day at one of the Commission's employment centers and make himself available for work.

While the great majority of the workers receiving these payments obtained them legitimately, the Commission became aware of fraudulent schemes devised by some longshoremen to collect annual income they were not entitled to since they did not actually make themselves available for waterfront work. In some cases Commission personnel administering the hiring process of longshoremen in the employment centers observed men "badging in" their seniority identification cards in the computers, thus indicating they were available to be selected for work that day, and then surreptitiously leaving the centers before the actual selections of employees took place. In other cases, Commission agents observed men "badging in" for other men who were not personally present. By not actually being present for the hiring and yet being credited for being available for work these men were defrauding the employers liable for payment of the guaranteed income and receiving monies they were not entitled to.

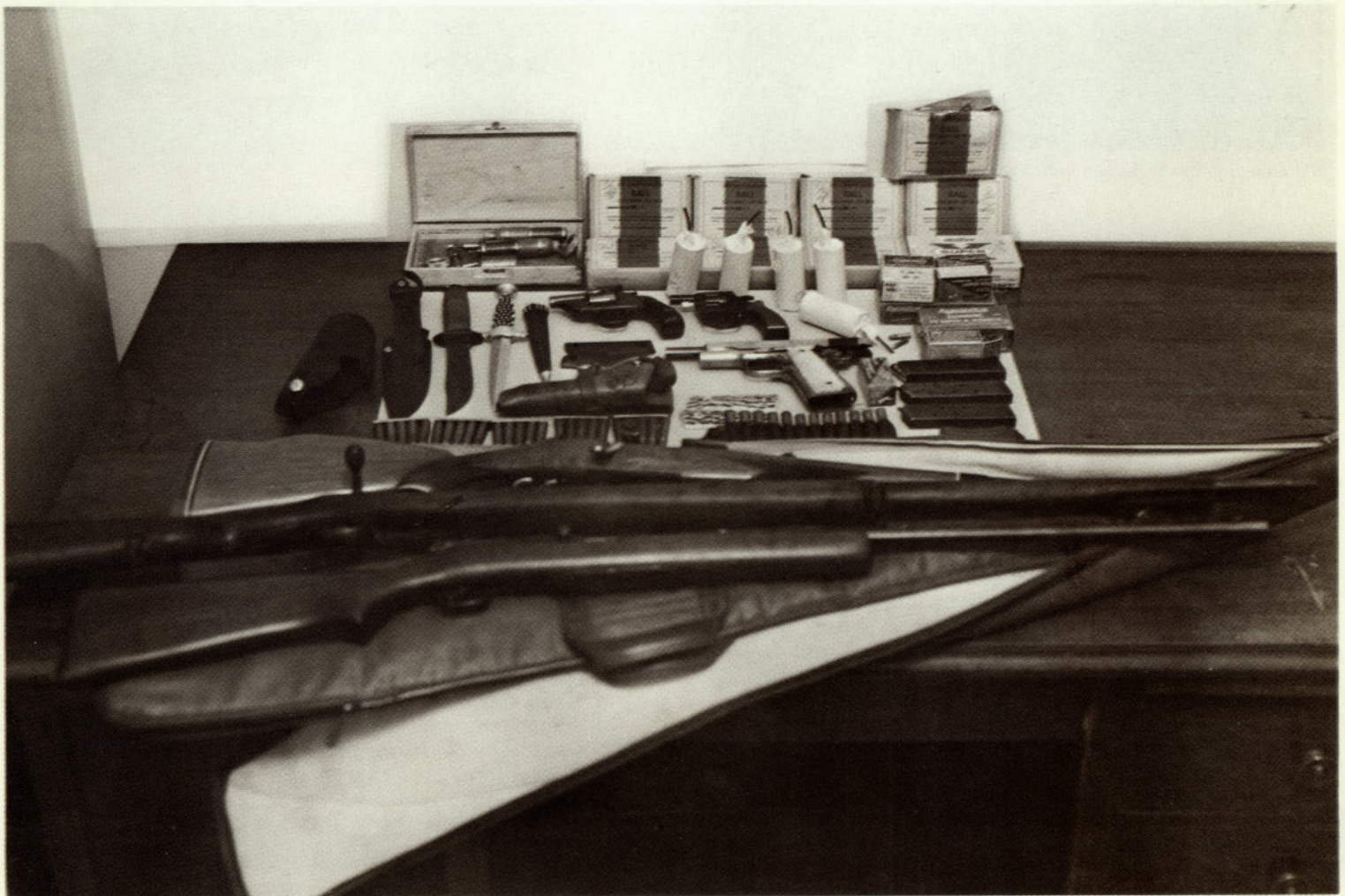
A series of Commission investigations to obtain evidence of these violations was initiated by a team of Commission attorneys, accountants and special agents. As a result, a number of registered longshoremen were revoked or suspended for misappropriating funds from the waterfront employers.

In one such case it was established that a longshoreman who collected guaranteed wage benefits exceeding \$8,000 in a year's period doubled his income by reporting for work as the foreman of a highway asphalt gang for the City of New York each morning at 7 A.M., before the hiring for longshoreman actually commenced. In another case, Commission investigators followed a longshoreman, who had received in excess of \$950 of waterfront guaranteed income payments in a two-month

period, to his off-waterfront employment as an ornamental iron worker at an office building being constructed in lower Manhattan, where he earned over \$300 a week. Other longshoremen illegally obtaining these funds were working at such varied jobs as parking lot attendants, bartenders, tow truck operators and cab drivers.

Ancillary to its duties to license and register waterfront firms and workers and counter waterfront crime, the Waterfront Commission maintains an intelligence system of waterfront criminals and activities. The Commission's crime intelligence files, which include not only material it has developed since its organization in 1953 but also data produced by the waterfront staff of the New York State Crime Commission prior to the Waterfront Commission's inception, are generally recognized and frequently used by other law enforcement agencies as the most comprehensive intelligence system on waterfront criminals and their associates in existence. Recognizing that the proper use of such an intelligence system can play an important part in the drive of all law enforcement agencies to eliminate organized crime activities, the Federal Law Enforcement Assistance Administration a year ago awarded the Waterfront Commission a grant of over \$250,000 in part to maintain and expand its system.

The gathering of data for its intelligence system this past year led to the Commission's initiation of an important investigation of organized crime in New York and New Jersey. In conducting a surveillance of a waterfront figure who was known through the Commission's intelligence data to have close ties to organized crime, Commission Special Agents uncovered a store on the east side of Manhattan which proved to be an almost daily meeting place for persons identified as known criminals, with a number of them being classified as members of organized crime families on lists prepared by various law enforcement agencies. The importance of these meetings was underscored by the fact that the persons meeting included criminals ruled off the waterfront by the Commission as far back as 1953, officials of various non-waterfront labor unions, and persons doing business with waterfront firms. Of some sixty persons identified by the Commission as frequenting the meeting place and interrogated by Commission attorneys in executive session, most declined to respond to questions on the ground that their answers might tend to incriminate them. This investigation is continuing and is particularly concerned with ascertaining whether there is criminal domination over companies performing work on the waterfront or supplying equipment or services to waterfront concerns.



*Weapons seized from home of checker arrested for possession of \$6,500 worth of stolen clothing.*



*Stolen merchandise hidden in Brooklyn garage recovered by Commission Special Agents.*

### **Licensing**

Since the Commission's creation, it has processed over 101,000 applications for licenses and registrations to work or operate at the Port's waterfront terminals. During the past year 2,693 applications were processed, including some 737 submitted by men working in marine terminal warehouses and for companies furnishing services incidental to the movement of waterborne freight. As of June 30, 1971, there were 16,367 actively registered longshoremen (including warehousemen, containermen, and waterfront weighers and scalemen), 3,714 checkers, 1,485 port watchmen, 605 hiring agents and 406 pier superintendents. In addition, as of that date, there were 106 companies licensed by the Commission to load and unload freight or perform such specialized waterfront functions as cargo repairing, cargo storage, cooperating and maintenance work.

Every application submitted to the Commission is thoroughly reviewed. All individual applicants, as well as corporate officers, directors and stockholders owning five per cent or more of the shares

of a corporate applicant, are fingerprinted, photographed and required to disclose detailed information concerning their personal and business backgrounds, as well as criminal activities, if any. Those applicants with criminal histories are interviewed by staff attorneys. No application is denied without giving the applicant an opportunity for a formal administrative hearing, at which he may be represented by counsel and present evidence in his own behalf.

Noteworthy among the administrative trials conducted by the Commission this past year were two cases concerning waterfront firms seeking permanent licenses to operate in the Port.

In one of the cases, the Commission determined, after a lengthy investigation and hearing, that a company performing cooperage and other waterfront services, and brought under the Commission's jurisdiction by new legislation enacted in 1969, lacked the requisite good character and integrity for licensure since its officers and stockholders knowingly associated in the business with leaders of organized crime.

Commission accountants established that one of the mobsters, the former leader of one of the organized crime families operating in the metropolitan area, purchased 49 per cent of the company's stock for a mere \$245 at the time the company was originally incorporated. When he was imprisoned several years later on a narcotics conviction, he transferred his interests to his brother who sold the stock back to the firm for almost \$200,000. The Commission also found that because of the company's association with leaders of organized crime it was able to employ non-union employees in violation of its collective bargaining agreement and without interference from officials of the union, that one of its officers caused the company to commit commercial bribery, and that its officers allowed the company to continue doing business in a Florida seaport by certain misrepresentations after the company's permit to do business in that port had been revoked.

In its decision on the case, the Commission found that the officers and stockholders of the firm blandly disregarded the widespread reputation of their criminal leader associates, stating that the owners of the firm were "not the victims of extortion but rather the willing partners" of the mobsters. The Commission ruled that "[e]ven in cases of coercion, the Commission expects its licensees to resist the inroads of organized crime and to report to the Commission any attempt at infiltration by criminal elements."

The Commission denied the firm's application for the license. The ruling is presently being appealed by the company in the New York courts.\*

In the other case, the Commission denied a license to a waterfront carpentry firm upon the grounds that officers of the firm did not possess good character because an affiliated corporation, of which they were also officers, intentionally overbilled its customers in excess of \$74,000 in a year's period, and because they participated with and aided and abetted a high official of the union representing longshoremen in a financial transaction which conflicted with the union official's fiduciary obligations under law. The Commission also found that the president of the applicant company testified falsely at a Commission interview concerning the union leader's dealings with the corporation.

Upon the company's appeal to the courts, the five-judge Appellate Division of the New York Supreme Court, in a split decision, annulled the Commission's determination and remanded the case to the Commission for reconsideration of the application. The Commission is presently appealing this decision to the Court of Appeals, the highest court in New York State.

\*During the course of the printing of this Annual Report, the Appellate Division of the New York Supreme Court unanimously sustained the Commission's action.

## CONCLUSION

In accordance with its statutory responsibility and policy through the years to make recommendations for the effectuation of the purposes of the Waterfront Commission Compact, in its last Annual Report the Commission stressed the need to plug the loopholes existing in cargo security in the Port. Legislative authority requested by the Commission to adopt mandatory security regulations applicable to persons engaged in the movement of waterborne freight; to designate cargo security areas on waterfront terminals; to place Commission police at the ingress and egress points of the security areas; and to promulgate regulations with respect to the number and deployment of port watchmen, is pending in the Legislatures of both states. The need for such legislation has not diminished and the Commission reiterates its recommendation for its passage.

\* \* \*

The past year witnessed the departure of Steven J. Bercik, Commissioner for New Jersey, and the appointment as his successor of Richard J. Vander Plaats. Mr. Vander Plaats, former Mayor of Fair Lawn, New Jersey, and member of the New Jersey Assembly, took office on July 1, 1971. Commissioner Joseph Kaitz of New York was re-appointed to his fourth term.

It is with deep sorrow that the Commission records the deaths this year of three long-time and faithful members of its staff. Raymond J. Farley, an investigator and special agent since December 17, 1953, died on December 19, 1970; Francis X. Short, an investigator and special agent from January 28, 1957 through August 8, 1969, died on November 26, 1970; and Patrick F. Lenaghan, a manager of one of the Commission's employment information centers and area supervisor who joined the Commission on March 9, 1954, died on January 3, 1971.

Once again the Commission expresses its grateful appreciation to the numerous local, state and federal agencies, as well as the civic and community organizations in both states, which have assisted the Commission in its efforts to maintain the Port as the finest in the world.

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For the reasons set forth in this Annual Report, the Waterfront Commission of New York Harbor finds and determines that the public necessity still exists for the continued registration of longshoremen, the continued licensing of the occupations and employment as required by the Waterfront Commission Compact and its amendments, and the continued public operation of the Employment Information Centers as provided in Article XII of the Compact. Continuation of these measures is deemed necessary to maintain the well-being of the Port of New York and to achieve the objectives of the Compact.

Respectfully submitted,

JOSEPH KAITZ  
Commissioner for New York

RICHARD J. VANDER PLAATS  
Commissioner for New Jersey

**WATERFRONT COMMISSION  
EMPLOYMENT INFORMATION CENTERS**

**Showing Comparison of Hirings for the Years 1970-1971 and 1969-1970**

Center and Location	Piers and Areas	Hirings		Increase or Decrease	% Change	% Share of Port Employment	
		1970-1971	1969-1970			1970-1971	1969-1970
1 659 11th Avenue	Piers 64-99 North River including Irvington and Yonkers	147,226	256,767	-109,541	-42.66	04.5	06.8
2 455 West 16th Street	Piers 53-62 North River	11,326	22,004	- 10,678	-48.53	00.3	00.6
3 34 Renwick Street	Piers 18-52 North River	88,679	150,775	- 62,096	-41.18	02.7	04.0
4 125 Greenwich Street	Piers 1-17 North River Piers 4-68 East River	94,700	141,303	- 46,603	-32.98	02.8	03.7
TOTAL—MANHATTAN		341,931	570,849	-228,918	-40.10	10.3	15.1
7 100 Columbia Street	Brooklyn Port Authority Piers, Long Island City, Greenpoint and Williamsburg	527,337	621,479	- 94,142	-15.15	15.9	16.4
8 132 Van Dyke Street	Atlantic and Erie Basins, Breakwater and Gowanus	466,768	538,688	- 71,920	-13.35	14.1	14.3
9 5504 Third Avenue	Bush Docks	180,966	129,233	+ 51,733	+40.03	05.5	03.4
14 37th and Marginal Streets	21st Street, Green Docks and 39th Street	395,123	474,376	- 79,253	-16.71	12.0	12.5
TOTAL—BROOKLYN		1,570,194	1,763,776	-193,582	-10.98	47.5	46.6
10 22 Wave Street	Staten Island	176,870	175,200	+ 1,670	+00.95	05.4	04.6
TOTAL—STATEN ISLAND		176,870	175,200	+ 1,670	+00.95	05.4	04.6
11 117 Tyler Street Port Newark	Port Newark and Port Elizabeth Perth Amboy and Carteret	880,751	861,779	+ 18,972	+02.20	26.7	22.8
12 34 Exchange Place Jersey City	Jersey City	48,618	58,106	- 9,488	-16.33	01.5	01.6
13 60 Hudson Street Hoboken	Hoboken, Weehawken and Edgewater	193,088	261,388	- 68,300	-26.13	05.8	06.9
16 Rt. 169 & East 32nd Street Bayonne	Bayonne	90,078	89,558	+ 520	+00.58	02.8	02.4
TOTAL—NEW JERSEY		1,212,535	1,270,831	- 58,296	-04.59	36.8	33.7
PORTWIDE TOTALS		3,301,530	3,780,656	-479,126	-12.67	100.0	100.0



WEEHAWKEN

HOBOKEN

MANHATTAN

QUEENS

NEW JERSEY

JERSEY CITY

NEWARK

UPPER  
NEW YORK BAY

NEWARK  
BAY

BAYONNE

RICHMOND

BROOKLYN

HUDSON  
RIVER

EAST  
RIVER

1

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# FINANCIAL STATEMENT

## WATERFRONT COMMISSION OF NEW YORK HARBOR

### Statement of Cash Receipts and Disbursements for the Year Ended June 30, 1971

Balance of funds at beginning of year:		
Cash balance (net of amounts withheld from employees' earnings)	\$147,248.69	
Cash in badge deposit savings account	11,405.00	
Advance for construction of Employment Center #11	10,000.00	168,653.69
Receipts:		
Assessments on employers of persons registered or licensed by the Commission	\$3,706,785.46	
Law Enforcement Assistance Administration grant	106,870.00	
Interest on United States Treasury bills	3,390.16	
Interest on time certificates of deposit	9,510.47	
Interest on badge deposit savings account	383.34	
Penalties and fines	15,000.00	3,841,939.43
		4,010,593.12
Disbursements:		
Salaries	2,597,466.54	
Rentals	271,808.62	
Retirement, group insurance and social security taxes	479,338.26	
Law Enforcement Assistance Administration grant expenditures	69,723.71	
Special services and expense	46,677.39	
Communications	60,297.58	
Carfare, auto and travel expense	45,427.95	
Leasehold alterations	5,720.34	
General office expense	27,049.09	
Repairs and maintenance	43,548.87	
Furniture, fixtures and equipment	24,709.88	
Hearing officers, auditors and consultant fees	25,075.00	
Insurance	45,713.50	
Light, heat and power	29,303.40	
Printing	15,723.53	
Miscellaneous overtime expense	5,868.89	
Seniority plan costs	3,907.17	
Badge deposits (net)	20.00	3,797,379.72
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	133,851.49	
Less taxes and other withholdings from employees	32,023.09	101,828.40
Cash in badge deposit savings account	11,385.00	
Time certificate of deposit	100,000.00	\$213,213.40

# WATERFRONT COMMISSION OF NEW YORK HARBOR

## Construction Fund — Employment Center #11 for the Year Ended June 30, 1971

Advance from Waterfront Commission of New York Harbor		\$10,000.00
Prior years' receipts, net		<u>9,785.00</u>
Cash in checking account at beginning of year		19,785.00
Disbursements:		
Construction costs	\$19,256.98	
Transfer to Waterfront Commission of New York Harbor	<u>528.02</u>	<u>19,785.00</u>
Cash in checking account at end of year		<u><u>-0-</u></u>



**S. D. LEIDESDORF & CO.**

CERTIFIED PUBLIC ACCOUNTANTS

125 PARK AVENUE

AT 42ND STREET

NEW YORK, N. Y. 10017

AREA CODE 212 697-0200

ACCOUNTANTS' REPORT

To the Commissioners  
Waterfront Commission of New York Harbor

We have examined the statement of cash receipts and disbursements of the Waterfront Commission of New York Harbor for the year ended June 30, 1971. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying statement of cash receipts and disbursements presents fairly the cash transactions of the Waterfront Commission of New York Harbor for the year ended June 30, 1971, on a basis consistent with that of the preceding year. Further, in our opinion, Schedule 1 presents fairly the data set forth therein.

*S. D. Leidesdorf & Co.*

New York, N. Y.  
July 16, 1971

**DIVISION OF LAW AND DIVISION OF LICENSING** **Year Ended June 30, 1971**

Total Applications investigated and processed (Includes applications for registration or license as longshoreman, checker, hiring agent, pier superintendent, pier guard and stevedore.)	1,759
By Division of Law	298
By Division of Licensing	1,461
Total Witnesses Questioned	2,873
By Division of Law	1,891
By Division of Licensing	982
Summary Proceedings Completed	55
Petitions	156
Investigations Conducted and Completed	536
Recent Arrests Investigated and Completed	247
Probationary Cases Investigated and Completed	62
Requests for Reinstatement from Withdrawal and Decasualization	156
Total Hearings Ordered (By both Divisions)	425
Total Formal Hearings Conducted and Completed (By both Divisions)	464

**DIVISION OF INVESTIGATION** **Year Ended June 30, 1971**

Investigations conducted (including those for administrative hearings, licensing applications, intelligence files, pier security evaluations, etc.)	6,882
Arrests and Apprehensions*	
for theft	101
for gambling	50
for other offenses	3

\* includes registrants and non-registrants.

**PETITIONS** **Year Ended June 30, 1971**

	Denied	Granted	Totals
Petitions for Reconsideration or Leave to Reapply	64	37	101
Petitions for Rehearing	3	2	5
Petitions to Withdraw	0	3	3
Petitions to Remove Ineligibility by Reason of Criminal Conviction	0	3	3
Petitions to Vacate Orders of Temporary Suspension	4	4	8
Petition to Lift Physical Ineligibility	2	1	3
<b>TOTALS</b>	<b>73</b>	<b>50</b>	<b>123</b>

**COMMISSION DETERMINATIONS** **Year Ended June 30, 1971**

	APPLICATIONS				AND		REVOCATIONS			TOTALS
	Denied	Granted	Revoked	Revoked L.R.*	Sus- pended	Repri- manded	Dis- missed	Sus- pended Pending Hearing		
Longshoremen	93	70	44	13	35	1	32	35	323	
Checkers	20	3	11	1	5	5	0	9	49	
Hiring Agents	1	0	0	1	2	0	0	0	4	
Pier Superintendents	0	0	0	1	1	0	0	1	3	
Port Watchmen	27	0	10	2	4	0	0	12	55	
Stevedores	2	17	0	0	1	0	0	0	20	
<b>TOTALS</b>	<b>143</b>	<b>90</b>	<b>65</b>	<b>18</b>	<b>48</b>	<b>6</b>	<b>32</b>	<b>57</b>	<b>454</b>	

\* with leave to reapply after stated period of time.

## AVERAGE ANNUAL EARNINGS OF LONGSHOREMEN AND CHECKERS PORT OF NEW YORK

For Fiscal*	Total Payroll	Average Number Registrants	Average Earnings**
1960/1961	\$144,868,164	27,998	\$5,174
1961/1962	151,425,536	26,515	5,711
1962/1963	155,134,148	27,034	5,738
1963/1964	166,007,689	26,106	6,359
1964/1965	167,375,968	24,281	6,893
1965/1966	186,554,856	23,848	7,823
1966/1967	183,513,600	22,927	8,004
1967/1968	173,836,302	21,141	8,223
1968/1969***	166,503,418	20,922	7,958
1969/1970	200,640,587	20,493	9,791
1970/1971	192,875,192	18,197	10,196

SOURCE: Waterfront Commission of New York Harbor.

\* Fiscal year begins July 1st.

\*\* Fringe benefits, with the exception of vacations and holidays, are not included.

\*\*\* Includes 56-day Longshoremen's Strike (12/21/68 to 2/14/69.)

## AVERAGE ANNUAL EARNINGS OF PRIVATE PIER GUARDS

For Fiscal*	Total Payroll	Average Number of Registrants	Earnings**
1960/1961	\$8,397,935	2,028	\$4,141
1961/1962	7,973,755	1,998	3,991
1962/1963	8,028,333	1,819	4,414
1963/1964	8,003,427	1,731	4,624
1964/1965	8,410,423	1,745	4,820
1965/1966	8,858,295	1,706	5,192
1966/1967	9,155,820	1,634	5,603
1967/1968	8,921,905	1,654	5,394
1968/1969	9,042,859	1,639	5,517
1969/1970	9,468,153	1,557	6,081
1970/1971	9,741,941	1,515	6,430

SOURCE: Waterfront Commission of New York Harbor.

\* Fiscal year begins July 1st.

\*\* Fringe benefits, with the exception of vacations and holidays, are not included.

## COMPARISON OF AVERAGE EARNINGS OF LONGSHOREMEN AND CHECKERS

	<u>1954</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>
\$10,000 and over	(*)	5,124	3,910	6,523
\$ 7,000 to \$10,000	406	8,815	8,381	6,107
\$ 6,000 to \$ 7,000	802	2,194	2,183	1,195
\$ 5,000 to \$ 6,000	2,589	1,479	1,503	1,082
\$ 4,000 to \$ 5,000	6,330	1,043	1,241	914
\$ 3,000 to \$ 4,000	7,013	852	1,319	906
UNDER \$3,000	<u>24,193</u>	<u>4,058</u>	<u>3,994</u>	<u>3,235</u>
<b>TOTAL REPORTED</b>	<b>41,333</b>	<b>23,565</b>	<b>22,531</b>	<b>19,962</b>
Total Earnings	\$102,061,108	\$169,961,891	\$154,996,290	\$161,063,292
Total Hours Worked	37,813,991	39,844,742	33,935,416	32,853,146
% Hours Overtime	24.3%	28.2%	27.0%	24.0%
<b>AVERAGE ANNUAL WAGES**</b>	<b>\$ 2,469</b>	<b>\$ 7,212</b>	<b>\$ 6,879</b>	<b>\$ 8,068</b>

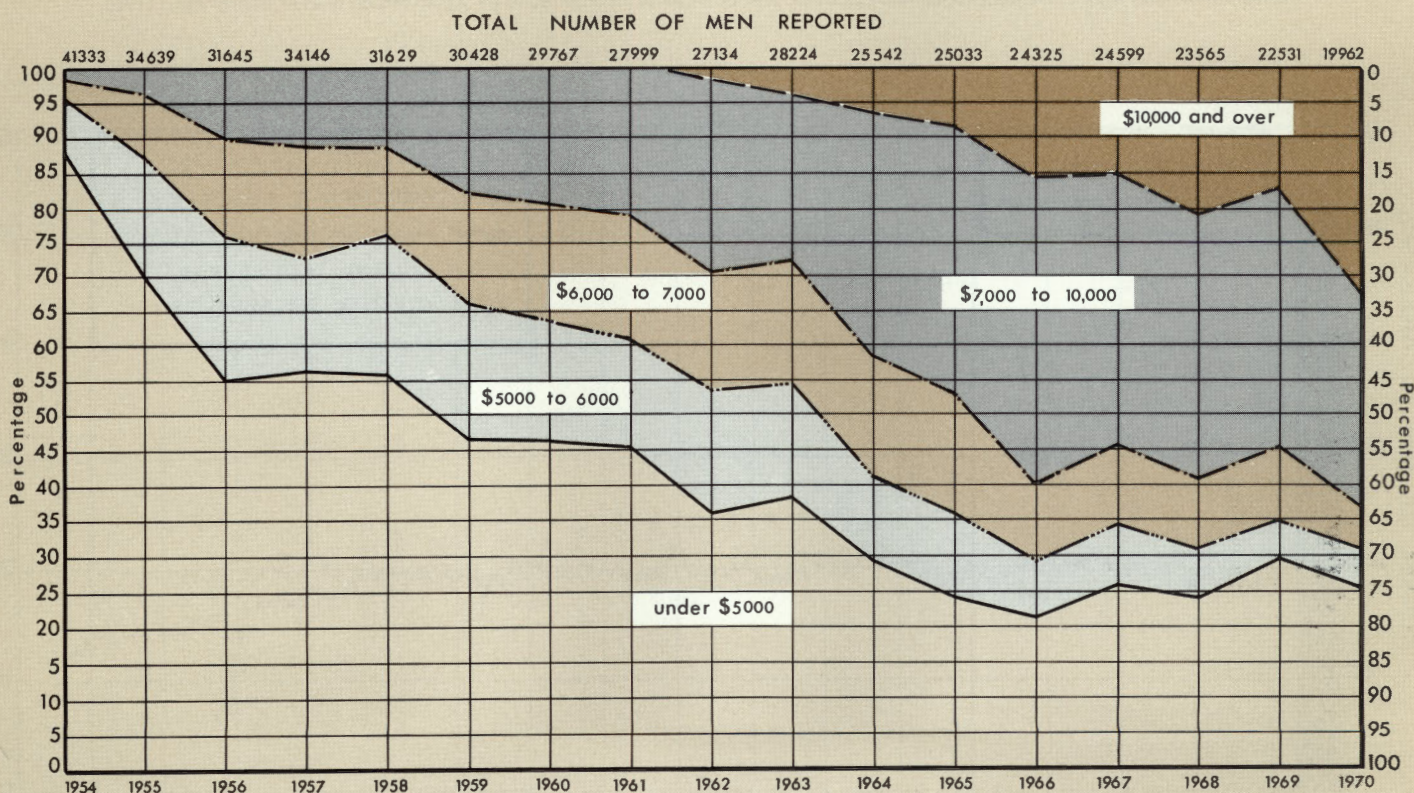
\* Records incomplete for 1954.

\*\* 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, whose fiscal year ends September 30.

SOURCE: New York Shipping Association for fiscal year ended September 30, 1970.

### COMPARISON OF AVERAGE EARNINGS OF LONGSHOREMEN AND CHECKERS

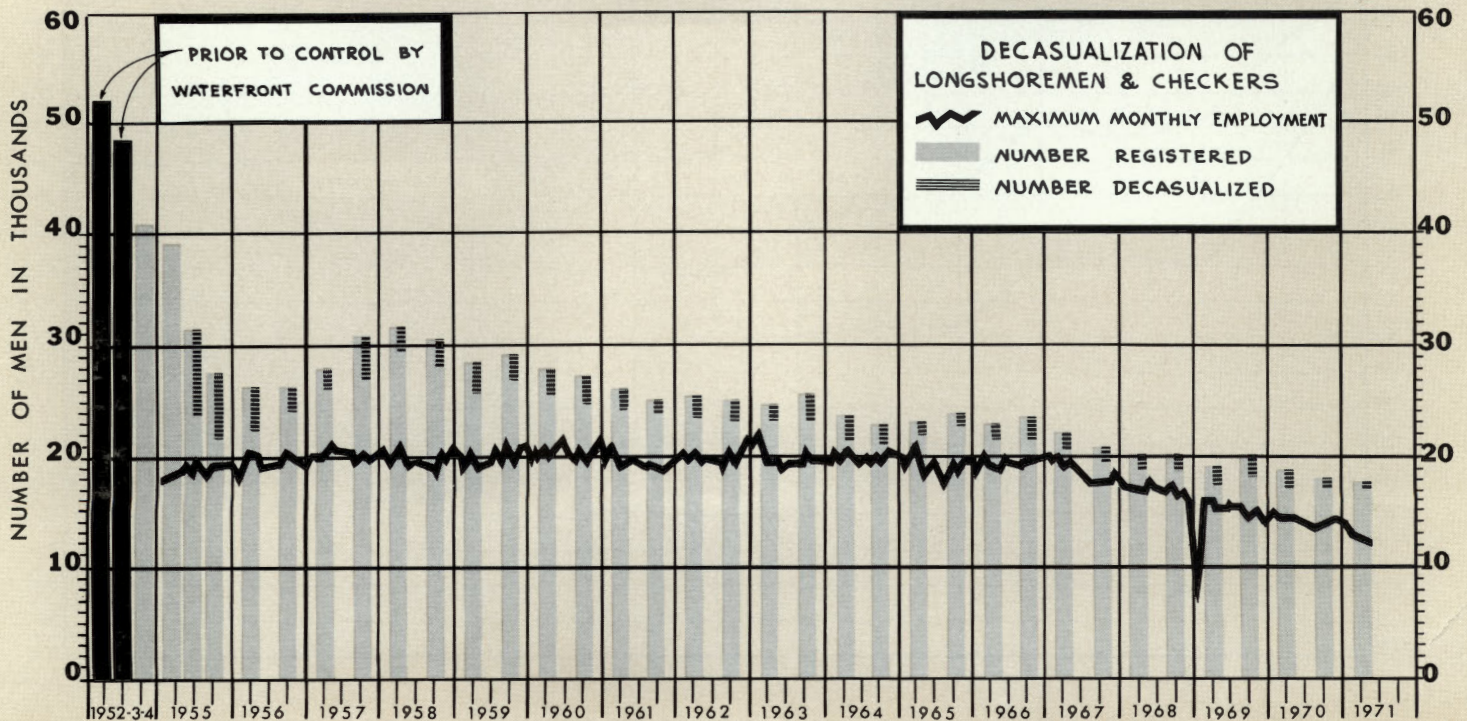


## DECASUALIZATION OF LONGSHOREMEN AND CHECKERS

		Number Decasualized	Remaining Registrants
1st decasualization	June 3, 1955	7,141	31,574*
2nd decasualization	October 28, 1955	5,118	27,284*
3rd decasualization	April 20, 1956	2,731	26,486*
4th decasualization	October 19, 1956	1,554	26,746*
5th decasualization	May 3, 1957	1,694	28,928*
6th decasualization	October 21, 1957	1,775	31,056*
7th decasualization	May 21, 1958	1,898	31,946*
8th decasualization	October 22, 1958	2,510	30,364
9th decasualization	May 14, 1959	2,753	28,886
10th decasualization	October 29, 1959	1,667	28,928
11th decasualization	May 11, 1960	1,807	28,355
12th decasualization	October 27, 1960	1,577	27,535
13th decasualization	May 11, 1961	1,859	26,920
14th decasualization	October 26, 1961	1,536	25,754
15th decasualization	May 10, 1962	1,498	25,758
16th decasualization	October 25, 1962	1,012	25,843
17th decasualization	May 10, 1963	1,182	25,218
18th decasualization	October 22, 1963	1,523	25,997
19th decasualization	April 10, 1964	2,096	24,172
20th decasualization	October 15, 1964	1,715	23,084
21st decasualization	April 16, 1965	934	23,796
22nd decasualization	October 7, 1965	581	23,920
23rd decasualization	March 31, 1966	1,070	23,332
24th decasualization	November 7, 1966	1,226	23,471
25th decasualization	March 31, 1967	1,142	22,100
26th decasualization	October 6, 1967	954	21,515
27th decasualization	April 12, 1968	903	20,901
28th decasualization	October 18, 1968	770	20,384
29th decasualization	April 22, 1969	999	19,973
30th decasualization	October 3, 1969	1,022	20,627**
31st decasualization	April 13, 1970	1,098	19,512**
32nd decasualization	October 30, 1970	1,012	18,651**
33rd decasualization	April 2, 1971	715	18,115**

\* Does not include craftsmen whose registrations were required on or after May 27, 1957.

\*\* Does not include warehousemen, container repairmen, and other persons required to be registered on or after September 1, 1969.



## APPLICATIONS AND REAPPLICATIONS RECEIVED AND PROCESSED DURING FISCAL YEARS

As of June 30th

	1954*	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971
Longshoremen	36,272	5,196	3,681	7,296 <sup>a</sup>	5,940	3,491	3,983	2,926	2,141	3,189	1,640	1,566	1,283	3,107	1,557	1,846	4,810	1,741 <sup>a</sup>
Checkers				4,077 <sup>a</sup>	618	320	398	265	134	613	171	453	286	276	320	516	1,233	87
Pier Guards <sup>b</sup>	2,890	458	265	2,893	573	350	2,415	335	168	321	199	418	2,081	472	699	1,014	858	612
Pier Superintendents	457	88	87	69	81	59	88	73	84	176	41	37	47	73	116	57	131	82
Hiring Agents	787	147	103	129	102	77	127	107	119	103	66	51	127	92	169	66	172	139
Stevedore Companies <sup>c</sup>	77	7	54	4	45	4	45	0	36	1	29	0	53	5	53	7	99	32
<b>TOTALS</b>	<b>40,483</b>	<b>5,896</b>	<b>4,190</b>	<b>14,468</b>	<b>7,359</b>	<b>4,301</b>	<b>7,056</b>	<b>3,706</b>	<b>2,683</b>	<b>4,403</b>	<b>2,146</b>	<b>2,525</b>	<b>3,877</b>	<b>4,024</b>	<b>2,914</b>	<b>3,506</b>	<b>7,303</b>	<b>2,693</b>

\* Initial year of Commission operations.

- (a) Craftsmen required to register as longshoremen, and checkers registered separately under amendments to Waterfront Commission Act effective May 27, 1957.
- (b) Pier Guards are required to renew licenses every third year.
- (c) Stevedores are required to renew licenses every second year.
- (d) Includes 640 warehousemen, container repairmen, and other persons required to register under amendments to Waterfront Commission Act, effective September 1, 1969.

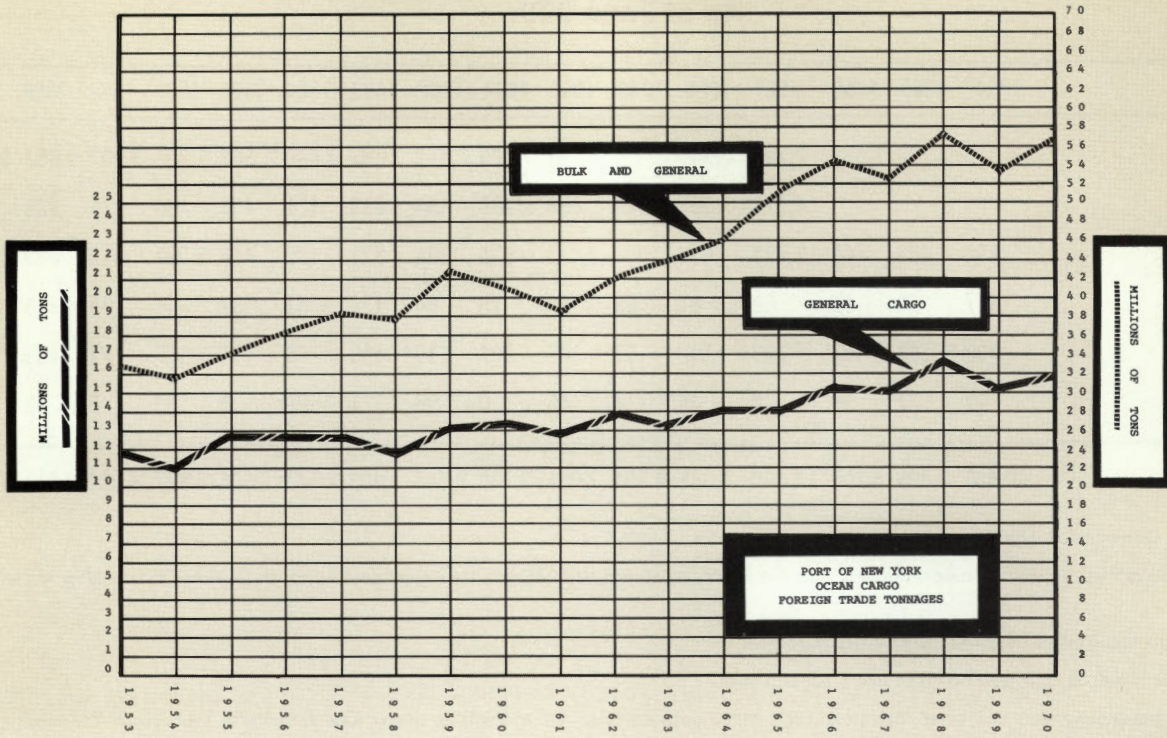
## REGISTRATIONS AND LICENSES IN EFFECT DURING FISCAL YEARS

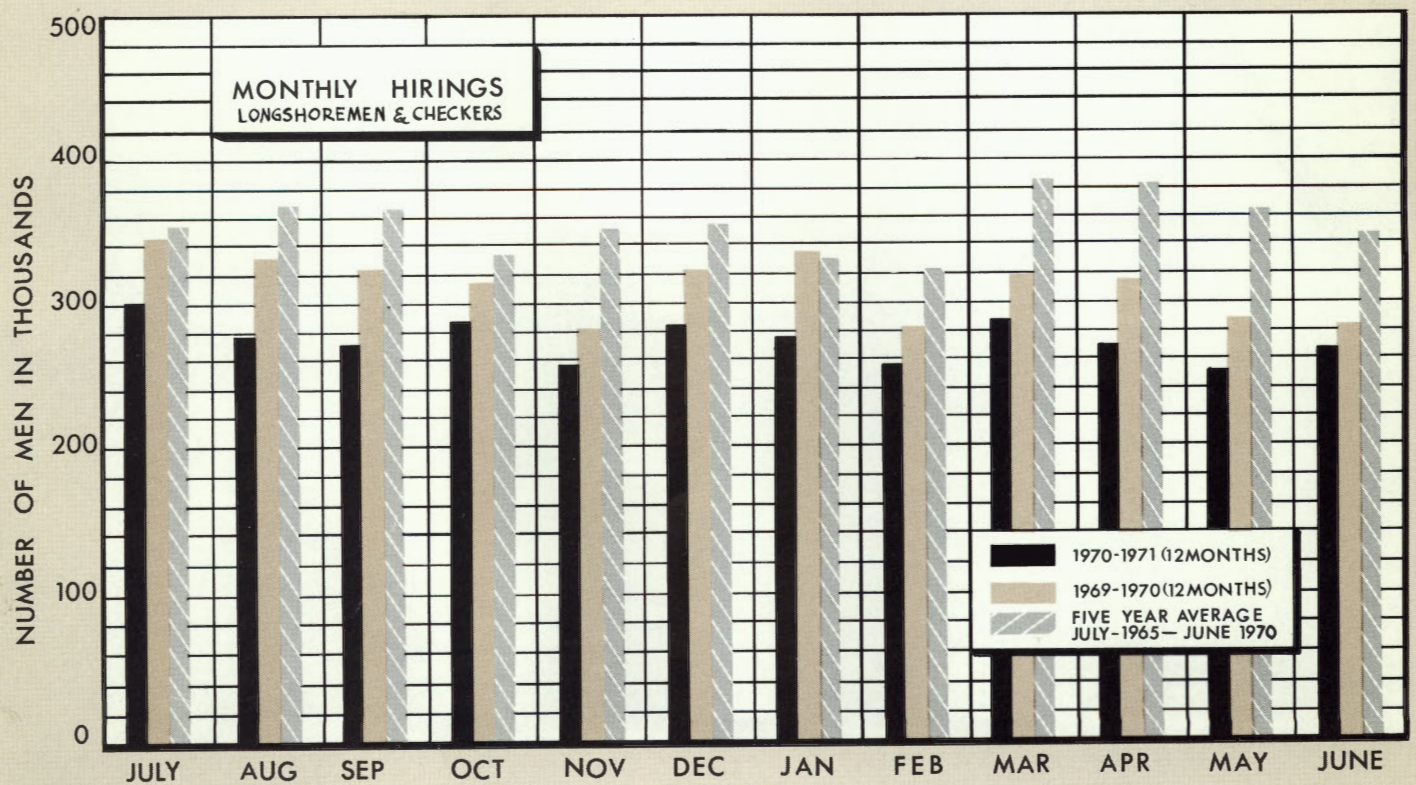
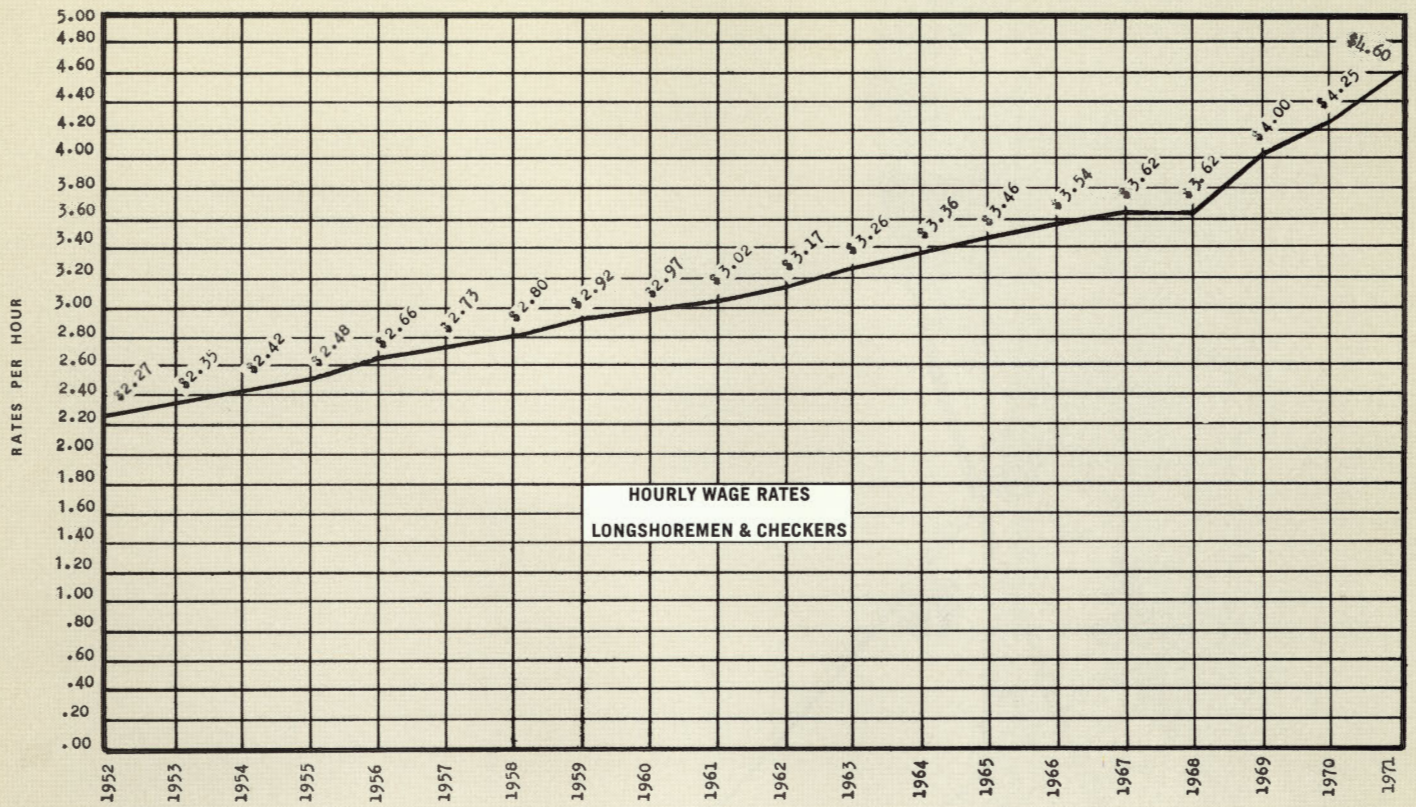
As of June 30th

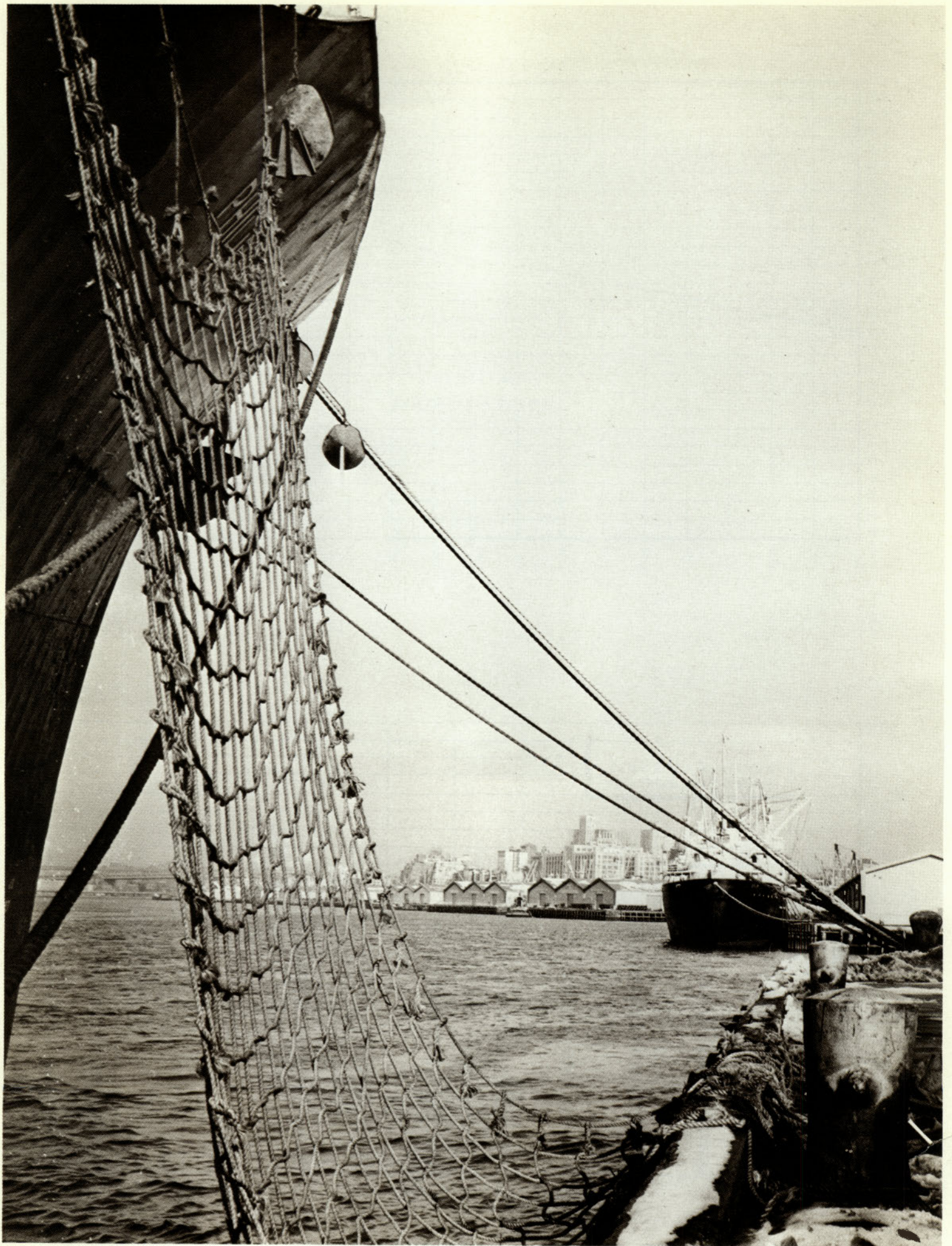
	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971
Longshoremen				27,537 <sup>a</sup>	27,948	24,967	24,182	22,661	22,079	22,691	20,408	19,792	19,110	18,352	17,026	16,612	17,646	16,367 <sup>c</sup>
Checkers	35,117	31,639	27,050	4,062	4,381	4,173	4,268	4,140	4,095	4,503	4,197	4,511	4,397	4,220	4,115	4,335	3,979	3,714
Hiring Agents	612	592	597	618	645	630	622	589	607	609	578	565	606	631	600	559	602	605
Pier Supts.	355	365	379	380	407	408	411	392	403	438	418	417	414	430	417	365	403	406
Pier Guards	2,796	3,009	3,010	2,319	2,414	2,218	2,021 <sup>b</sup>	2,047	1,961	1,756	1,652	1,801	1,551	1,630	1,654	1,637	1,548	1,485
Stevedores	54	52	48	45	46	45	39	36	33	29	29	28	49	49	50	46	93	106
<b>TOTALS</b>	<b>38,934</b>	<b>35,657</b>	<b>31,084</b>	<b>34,961</b>	<b>35,841</b>	<b>32,441</b>	<b>31,543</b>	<b>29,865</b>	<b>29,178</b>	<b>30,026</b>	<b>27,282</b>	<b>27,114</b>	<b>26,127</b>	<b>25,312</b>	<b>23,862</b>	<b>23,554</b>	<b>24,271</b>	<b>22,683</b>

- (a) Craftsmen required to register as longshoremen, and checkers registered separately under amendments to Waterfront Commission Act effective May 27, 1957.
- (b) Supervisory personnel required to be licensed under Waterfront Commission Regulations effective January 1, 1960.
- (c) Includes 1,785 warehousemen, container repairmen, and other persons required to be registered under amendments to Waterfront Commission Act, effective September 1, 1969.

# OCEAN CARGO - FOREIGN TRADE







# **WATERFRONT COMMISSION OF NEW YORK HARBOR 1970-1971**

JOSEPH KAITZ, *Commissioner for New York*

RICHARD J. VANDER PLAAT, *Commissioner for New Jersey*

WILLIAM P. SIRIGNANO, *Executive Director and General Counsel*

JOSEPH E. FILIPPONE, *Secretary to the Commission*

JEROME J. KLIED, *Assistant to Executive Director and Administrative Counsel*

IRVING MALCHMAN, *Assistant to the General Counsel*

THOMAS F. JONES, *Director, Division of Law Enforcement*

LEONARD MARAN, *Director, Division of Law*

JESSE O. LANGSTON, *Director, Employment Information Centers*

SAMUEL P. LISMAN, *Director, Division of Administration*

ANTHONY ANGELICO, *Comptroller*

CARMINE A. CARDONE, *Director, Licensing Division*

WALTER ARM, *Director of Information*

15 Park Row, New York, N.Y. 10038

