

974.901

W19

C.2

WATERFRONT
COMMISSION of
NEW YORK
HARBOR-

1969-1970

ANNUAL
REPORT

PROPERTY OF
STATE LIBRARY
MAY 15 1971
State Street
N. J.

THE WATERFRONT COMMISSION OF NEW YORK HARBOR

In 1952, a series of public hearings by the New York State Crime Commission revealed a frightening pattern of crime and corruption in the Port of New York which threatened the Port's position as the nation's leading shipping center.

The Crime Commission's hearings disclosed that murders and other forms of violence were common in the constant fight for control of pier operations by criminals and racketeers; that employers were forced to hire criminals as pier bosses who were responsive to the unions and not their employers; that extortionate strikes against employers for illegal demands were frequent; that phantom employees who did no work were placed on employer payrolls either collusively as an illegal payoff or by coercion of the employer; that strong-arm groups known as public loaders had brazenly and illegally usurped control of piers, appropriated equipment and employees of the terminal operator without compensation, and exacted tribute from truckers on all cargo delivered to them from the piers; that labor officials were bribed by industry to keep the labor peace or for other advantage and that steamship officials were bribed by stevedore companies to get stevedoring business; that there was criminal domination of the labor unions and unchecked embezzlement of union funds; that the labor force of waterfront workers was top-heavy with more than twice the amount of men needed, resulting in sub-standard wages and abnormal competition for employment and that subjugation and exploitation of longshoremen by the notorious "shape-up" method of hiring prevailed, so that the longshoremen were at the mercy of corrupt hiring bosses and were required to pay kickbacks, borrow at usurious rates from designated loan sharks, or pay other forms of tribute, in order to obtain a day's work and wage.

The Crime Commission found that law enforcement on the waterfront was sporadic and splintered since the harbor lined the shores of two states and came within the boundaries of many municipalities. It called for one watchdog agency with the power to cut through jurisdictional roadblocks and to act with speed and efficiency on all matters involving the fate and future of the Port. As a result, the governors and legislators of New York and New Jersey established in 1953 the Waterfront Commission of New York Harbor and empowered it to restore law and order on the piers and in the Port "for the protection of the public safety, welfare, prosperity, health, peace and living conditions of the people of the two states."

Since that time and under that mandate, the Waterfront Commission has effectively discharged the responsibilities assigned to it under the law. It banished the public loader; rooted the criminals out of union positions; replaced the old-fashioned and unfair outdoor shape-up with Commission-run hiring halls; made certain that hiring agents were selected by the employer and licensed by the Commission and operated in a proper manner; reduced and regularized the labor force through careful registration and the elimination of part-time workers which helped to bring significant increases in the average pay of longshoremen and regular employment to ninety per cent of the labor force who now work for particular employers.

These Commission reforms reestablished a salutary and moral climate on the waterfront and preserved the reputation and economic importance of the Port. Of equal importance, these measures protected the waterfront worker from criminal exploitation and gave him a new dignity in his job and in his community. Over the years the caricature of the longshoreman as a rough-and-tumble dock laborer has been erased and, with his new opportunities for improvement, the longshoreman has become a respected and substantial member of society. Today he is the key figure in a vital work force, having met and passed stern tests for honesty and integrity, and his constructive efforts have contributed to the peace, progress and prosperity of the Port.

But the task of waterfront watchfulness has not ended. The very nature of pier operations, where millions of dollars of cargo are handled daily throughout the Port, presents a rich and tempting grab-bag for the greedy and unscrupulous. Constant scrutiny and investigation are necessary to prevent the criminally-minded from bringing back to the waterfront their bloody and lawless version of "the good old days."

ANNUAL REPORT 1969-1970



*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*



As it embarks on its eighteenth year, the Waterfront Commission continues to fulfill its statutory functions throughout the Port of New York district, an area comprised of 650 miles of developed waterfront which is in effect the transportation crossroads of the world. The district extends approximately twenty-five miles in all directions from the Statue of Liberty and covers within its 1,500 square-mile radius a population of over twelve million persons in the northern New Jersey-New York Metropolitan region. The millions of people in this vast complex have a vital stake in the flow of commerce through the port; approximately one of every four persons in the port district depends directly or indirectly on the health of that economy for his livelihood and well being. Therefore, the maintenance of the economic life of the port—unhampered by crime and violence—is of the utmost importance not only to industry and labor, but to the governments of New York and New Jersey and the public they serve.

The port is the center of the world's foreign as well as America's domestic sea trade. Approximately 600 international forwarders and custom-house brokers participate in the movement of cargo into and out of the port. In the fiscal year

July 1, 1969 to June 30, 1970, vessel activity in the port increased with an ocean-going ship arriving or sailing on an average of one every twenty-five minutes. During this period 10,676 ships arrived in the port and 10,731 departed, compared to 9,769 arrivals during the last comparable twelve-month period and 9,758 sailings.

In 1969, the Port of New York handled an estimated 113 million tons of cargo in foreign and domestic trade with a value of over \$13,000,000,000 in foreign trade alone. Imports totalled 47,986,826 tons valued at \$7,212,055,000, while exports amounted to 5,910,856 tons with a value of \$5,910,660,000.

Although no definite figures in total tonnage and total value of domestic cargo were available for 1969, it is estimated that—in addition to foreign trade—the port handled 59,000,000 tons in oceanborne coastal and intercoastal trade, including trade with Hawaii and Puerto Rico which brought the total oceanborne tonnage flowing in and out of the Port of New York to 113,000,000 tons. This continued vitality can be traced in large measure to the re-establishment of the port's reputation as a stable and orderly shipping terminal.

LAW ENFORCEMENT

The Waterfront Commission maintains a staff of experienced attorneys and accountants and a carefully selected fifty-man force of special agents solely for enforcement of the Waterfront Commission Act and the penal laws of the States of New York and New Jersey and the United States as they relate to all areas of the port. Unique in law enforcement, they comprise the only group of government specialists constantly devoted to the suppression of waterfront lawlessness and through the years have compiled the most complete intelligence on port activities, sought after and shared with other law enforcement agencies. Throughout the year and around the clock, this law enforcement unit conducted thousands of investigations and spot checks of piers and activities in both states, including undercover investigations and surveillances which resulted in a series of spectacular arrests and the elimination from the docks of numerous criminal gangs and individuals. In all their investigations, the special agents were aided by Commission attorneys who worked in close co-

operation in developing the evidence in both criminal arrests and for Commission hearings against waterfront workers involved or charged with criminal misbehavior.

During the year, Commission attorneys attached to the Law and Licensing Division conducted and completed 309 investigations and ordered 454 hearings. They completed 414 formal hearings. Law Division attorneys questioned 1,658 witnesses; attorneys assigned to the Division of Licenses investigated and processed 1,455 applications for waterfront registration and questioned 1,187 witnesses. During that same period agents of the Commission apprehended 151 persons for various violations of the law including theft, gambling and loansharking who were either charged criminally or brought to administrative hearings for Commission action on their licenses or registrations. During the year, agents recovered or aided in the recovery of stolen waterfront cargo with a total value of \$250,000.



Stolen cargo recovered by Commission agents

Waterfront Arrests

Illustrative of the Commission's law enforcement activities is a case which started in a routine fashion with the investigation of a Brooklyn longshoreman suspected of a theft from the piers. The "routine" case ultimately led to the discovery and break-up of an organized gang which specialized in airport thefts and to the solution of a larceny of \$271,000 worth of travellers checks from a registered mail sack at the International Airport in Tampa, Florida. Months of investigation disclosed that the suspected longshoreman, together with another person, had planned and executed the robbery from the mails in Florida and attempted to sell the stolen checks to another gang in New York City. Together with Postal Inspectors, the Commission agents trapped two of the men as they met to discuss the sale of the checks. Three other conspirators were also arrested, part of the stolen checks were recovered, and all five defendants are now awaiting trial in Federal court. In addition, the longshoreman was suspended from working on the docks and is awaiting a Commission hearing.

In another investigation, Commission agents arrested a dock boss, a hi-lo driver and a truck driver for the theft of 81 cartons of textiles valued at \$1,500 from a pier in Brooklyn. The materials were

clandestinely loaded by the dock boss and the hi-lo driver on a waiting truck which was then driven off the pier by the truck driver. The agents trailed the vehicle into Manhattan and stopped it before it entered a tunnel into New Jersey. They questioned the truck driver, found the stolen merchandise and then picked up the two waterfront workers after the driver named them as his partners in crime. All three men were indicted for unlawful possession of stolen property and are facing trial in federal court. The dock boss and the hi-lo driver were immediately suspended by the Commission but no Commission action could be taken against the truck driver who is not required to be registered.

In another collusive theft case, Commission agents arrested a checker, a truck driver and a private portwatchman, who was assigned to guard a cargo of suede jackets on a Brooklyn pier. Instead, the guard and the two others were discovered loading ten cases of the jackets into the portwatchman's automobile. After a Commission hearing both the portwatchman and the checker had their licenses revoked and were barred from work on the piers.



Anti-Gambling Action

In its constant investigation of suspected waterfront racketeers, Commission agents watched for days as a checker acting as a "location man" on a Brooklyn pier accepted bets on the numbers from other pier workers. (A location man is assigned to set apart particular cargo shipments on a pier and to record their location and quantity.) When agents arrested the location man, they found in his possession policy slips containing 1,385 plays. Simultaneously, other agents armed with a search warrant and with the cooperation of Suffolk County Police, entered the man's home in Long Island and found not only further evidence of policy plays but records and cash showing he also was involved in loansharking activity on his pier. He and his wife were arrested and the man was indicted for criminal usury by a Brooklyn Grand Jury. He has been suspended from the waterfront and is awaiting trial on the criminal charges.

This was but one of a score of gambling cases investigated and solved by Commission agents who many times worked undercover in obtaining the evidence of such illegal activities. One of these investigations led to the break-up of one of the largest policy banks in Brooklyn when agents' surveillance of another checker led to his arrest with two others as they delivered betting slips from the piers to a policy bank. A search of the premises uncovered records showing 2,100 policy slips noting 2,800,000 plays and another batch of 46 slips showing over 8,750 plays — over 3,000,000 numbers bets. The checker was convicted of promoting gambling as a felony and his waterfront registration was revoked by the Commission.

The Phantoms

In the past, a common criminal ploy on the piers was the practice of carrying "phantoms" on shippers' payrolls; these were persons who did no work but received a salary nevertheless through the connivance of some pier supervisor. While this practice has been largely eliminated, the Commission's continual examination of payrolls reveals sporadic attempts to fleece shipping owners through such misrepresentation. Agents uncovered one such case last year in which a dock boss in Brooklyn took two longshoremen from the docks and put them to work at his home in Long Island. The two men were falsely carried on the payroll of a stevedoring company and collected more than \$1,000 each in unearned salary while actually working for a month repairing and improving the dock boss' home. Waterfront agents followed the men as they reported to the private "construction job" instead of to the pier and began building a porch for the dock boss. The two longshoremen and their "boss" are facing trial in Brooklyn for grand larceny and

falsification of business records. All three were barred from further work on the waterfront by the Commission.

FEDERAL AWARD

Although known criminals have been eliminated from direct control of legal waterfront activities, it is the Commission's belief — borne out by information, leading many times to significant arrests, that members of organized crime are still obtaining substantial revenue from illegal rackets on the piers, particularly gambling and loansharking. In order to concentrate more manpower and attention against this continual threat, the Commission in May presented a plan for stepping up the fight against organized waterfront crime to the Law Enforcement Assistance Administration of the Justice Department. The two-year program called for funds to establish a regional system — with the Waterfront Commission as a nucleus — for a combined war against organized crime through the gathering and exchange of port intelligence, the obtaining of evidence, the prosecution of those criminals involved and the elimination of their influence on the piers. Within a month after the request was submitted, LEAA awarded a grant of \$251,554 to the Commission for its program.

Shortly after the Commission began concentrating with greater efforts on this crime front. It assigned two of its own special agents and engaged four other special agents to devote their full time to the project under the guidance of two supervising special agents. The Commission also hired an additional attorney to devote his full time to the project under an experienced assistant counsel to the Commission. Since their appointment the special agents have attended classes on law enforcement problems and have received specialized training in the use of equipment already purchased or due to be purchased to carry out the program. In short order, the LEAA-funded agents made a series of dramatic arrests stemming from investigations the Commission had initiated. One investigation resulted in the recovery from a Brooklyn garage of more than \$200,000 worth of stolen pier cargo, including large quantities of clothing and 48 cartons of travel irons. In another case, a narcotics peddler in Newark was arrested after selling a quantity of cocaine to a Commission undercover agent. The Commission agents also arrested a major policy collector on the Weehawken docks and two others who had been operating a policy ring on the Hoboken piers. Other investigations into organized crime activities in the Port are now being conducted and a special study is underway of those piers and terminals which have experienced large and unusual cargo losses in a search for patterns of crime and methods to stop them.



Unsecured pier gate with easily accessible cargo.

CARGO SECURITY

Although the Waterfront Commission was given the power to correct most of the evils plaguing the Port, the responsibility for cargo protection was left to the Shipping Industry. Throughout the years, however, the Commission has been constantly calling to the attention of the industry the need for more adequate cargo protection. Increasingly concerned with the lack of response, and the rising incidence of container thefts, the Commission conducted a thorough study of the security practices on the piers and held three days of public hearings on April 14, 15 and 27 of 1970 to inquire into the matter in even greater detail. During those three days, thirty-four witnesses were heard, 713 pages of testimony were taken and forty-one exhibits received in evidence.

The testimony disclosed that the shipping industry did not provide adequate security measures; that it did not sufficiently or regularly report cargo losses; that it failed to sign appropriate criminal complaints and failed to cooperate adequately with law enforcement agencies on security problems. It also showed that while all other industry costs had risen in the past fifteen years, the industry kept the cost for cargo security practically constant by reducing the number of portwatchmen employed to guard cargo. This, in spite of the fact that the volume and value of cargo tonnage had markedly increased.

The Pier Guard

The hearings showed that the private pier guard was a mere figurehead on the docks ignored by

most dock workers and oftentimes evading the authority that he did possess. The hearings disclosed that the average age of a portwatchman is fifty-one; that many are retirees with no great desire to apprehend thieves and many hold second and third jobs which affect the quality of their performance on the piers. Each day the industry assigns about 1,000 portwatchmen to protect cargo in the port. An examination of their performance over a four-year period showed that this force apprehended only twenty-four pier personnel for stealing cargo on the piers during that period. In the same four-year span, the Waterfront Commission's special force of less than fifty agents apprehended 809 pier workers for thefts on the piers while another 294 apprehensions were made by other law enforcement agents. The records also revealed that more portwatchmen were apprehended for stealing cargo during this period than they — the portwatchmen force — had arrested.

The hearings also disclosed another glaring weakness in cargo security — some truck drivers and other persons not registered to work on the waterfront, with frequent and ready access to the piers, take advantage of their visits to the docks to steal anything movable — many times working hand-in-glove with criminally-inclined pier personnel. When a longshoreman or other dock worker is apprehended for theft, he is barred from the piers in appropriate cases if found guilty. There is no such ban or control against a truck driver arrested for a similar crime. He can, and in many cases does, return to the piers to continue his thieving habits.



Freighter with stern ramp loading
at Port Elizabeth, N.J.

The Container

The last few years have witnessed a great change in the handling of packaging of waterborne freight through the use of pre-packaging; and mobile containers. This system of cargo handling is changing the old break-bulk method in which goods are unloaded from trucks and reloaded on ships, to the direct transfer to the ship of huge, pre-loaded containers. In 1969, the Port of New York handled almost seven million tons of containerized cargo — more than thirty per cent of the total general cargo handled that year — and ultimately, experts predict, about seventy to eighty-five per cent of general cargo in the Port will be containerized.

The increased use of the container has deterred petty pilferage but has unfortunately encouraged large-scale organized theft rings; most containers hold cargoes valued from \$50,000 to \$200,000. Thefts of such cargo are on the increase and the Commission is now concentrating on this major organized crime activity. Container thefts would not be possible without planning and criminal cooperation among a variety of larcenous individuals, for such thefts require the aid of persons who can

identify the contents of the container and its location; require persons who have storage facilities to hide the huge amounts of cargo and also require a tractor and trailer to move the stolen container. Organized crime has the ability and the organization — and has used these qualities — to secure such information and the contacts to distribute and “fence” in large volume. Such cargo often makes its way into “legitimate” businesses controlled by organized crime. Commission investigation revealed that there were 25 thefts of and from containers in 1967; 41 such thefts in 1968 and 50 in 1969. The first half of 1970 showed more than 20 such thefts and almost 65 occurred before the year ended. All of these containers were stolen or broken into while on the piers and supposedly under the protection of pier guards hired by terminal operators. In many instances the alleged security force had no idea how the container was stolen or even any knowledge of the theft until the empty container was recovered by law enforcement agents. It is obvious that such wholesale raids on cargo cannot be countered by old, out-worn methods of pier guard patrol.

Legislative Recommendations

To plug the loopholes in security, the Commission, in its special report issued after the hearings, asked for legislative authority to adopt mandatory security regulations for the better protection of cargo, applicable to shipping companies, terminal operators, stevedores and others engaged in movement of cargo; to designate waterfront security areas which can be entered only by persons authorized by the Commission; to supplement the portwatchman force when a serious condition exists and to supplant all or part of the portwatchman force on a particular pier with Commission police when there is evidence of continued ineffective cargo protection.

In making these recommendations, the Commission pointed out that it had been seriously considering establishing a complete governmental police force in place of the present private watchman system but came to the conclusion that such a drastic and complete dislocation of this force would be impracticable. The Commission said it was hopeful that the legislation it sought would “provide an incentive for cooperative effort between industry and the Commission to achieve the desired result, so that a complete takeover and dislocation of the present portwatchman force will not be necessary.”

NEW JURISDICTIONS; NEW RESPONSIBILITIES

The container, in addition to being an attractive target for thievery, also brought with it another problem. A Waterfront Commission study found that much of the cargo handling formerly performed by the registered longshoremen and licensed stevedores (employers of longshoremen) on the piers was now being performed by companies and workers outside the piers who did not, under existing law, come within the licensing jurisdiction of the Commission. The study also disclosed that certain categories of workers who worked with longshoremen, such as warehousemen, weighers and scalers and certain types of maintenance men had access to and worked with the same cargo as longshoremen who were not subject to screening. Some of these men had obtained employment in these uncovered capacities after their registrations as longshoremen had been revoked by the Commission for misconduct. To cover this lapse the Commission sought and obtained remedial legislation giving it authority to license companies which perform labor and services incidental to the movement of waterborne freight, such as cargo storage, cargo repairing, container repairing, weighing and scaling, etc., and jurisdiction over companies which perform labor or services involving and incidental to the

movement of freight into and out of containers. Licensing jurisdiction was also obtained over categories of workers who perform these services for these companies and also superintendents and hiring agents who supervise and hire these workers.

The legislation became effective on September 1, 1969 and by that date questionnaires were sent to hundreds of companies seeking information upon which the Commission could judge whether they and the individuals working for them came within the meaning of the new legislation. Applications for the licensing of such companies and employees have been and are being processed. Where the Commission finds serious criminal conduct on the part of applicants for registration or, in the case of companies, facts which raise a question as to whether or not such company possesses the good character and integrity essential to licensing, hearings are being conducted to determine whether such applications should be granted or denied. One such application, submitted by a waterfront carpentry firm, was denied by the Commission after hearings at which it was disclosed that a prominent waterfront union official had been involved in the company's financial activities and that, in addition, the company had over-billed shipping lines by \$74,000 for its services.

By June 30, 1970, the Commission had licensed fifty-six companies and 148 pier superintendents and hiring agents employed by these companies. In addition, 1,928 registrants employed as warehousemen, containermen, cargo repairmen, weighers and scalers and other categories, were also registered. Commission attorneys and special agents are continuing to investigate the activities of other companies and employees to learn whether they fall within the jurisdiction of the 1969 legislative amendments.

* * * * *

In recent years, an alarming increase in thefts of cargo in the airports in the metropolitan area — Kennedy, Newark, and LaGuardia — and the presence of virtual control of air-freight operations by criminal elements caused the governors and the legislatures of New York and New Jersey to enact laws establishing procedures for the licensing of persons handling cargo at these installations. The Airport Compact provided that the Waterfront Commission — equipped with the experience of regulating the piers — extend its jurisdiction over air cargo operations in the three airports. The Compact was passed by May of 1970 in both States, approved by the Governors and sent to Congress where it is waiting for Congressional consent. The additional responsibility would present a new challenge and a further opportunity to fight organized crime.

ADMINISTRATION

The Waterfront Commission is composed of two commissioners; one from the State of New York and one from the State of New Jersey, appointed by the respective governors of each state with the advice and consent of the State Senates. Its chief operating officer is the Executive Director and General Counsel. The Commission functions with a staff of 230 employees, including attorneys, accountants, special agents, hearing reporters, and personnel supervising the hiring of waterfront workers. The Commission staff is divided into six divisions: Executive, Legal, Investigation, Licensing, Employment Information Centers, and Administration.

The Executive Division administers the policies promulgated by the Commissioners, prepares legislation and regulations, handles all contracts and leases and litigates all court cases.

The Legal Division participates in the investigation of violations of law concerning the waterfront and conducts administrative trials to determine whether registrations and licenses issued to waterfront workers and companies should be revoked.

The Investigation Division has operated with a staff of some fifty special agents, all of whom have full police powers in both New York and New Jersey. In addition to constantly spot-checking the activities on the piers, it conducts full scale investigations concerning waterfront violations.

The Licensing Division is responsible for the registration and licensing of all waterfront workers and companies required to obtain such permits under law, and the removal from the work force of casual labor. Attorneys assigned to the Licensing Division hold administrative hearings to determine whether applications for such licenses and registrations should be granted or denied.

The Division of Employment Information Centers operates the Commission's employment centers in the port through which the hiring of waterfront workers is conducted. It is responsible for the orderly, recorded hiring of such workers on a seven day a week basis.

The Commission's Administration Division is composed of hearing reporters, stenographers and the remainder of the clerical staff servicing the other five divisions of the Commission. In addition, accountants assigned to this division audit the books and records of the various companies licensed by the Commission, administer the assessments imposed under law and participate in investigations conducted by the Legal, Licensing and Investigation Divisions.

This past year the Commission's operating expenses totalled \$3,266,570, well within the budget of \$3,369,864 approved for it by the Governors of New York and New Jersey, a saving of over three per cent through tight budget controls and economies within the Commission.

The Commission's Employment Information Center in the Port Newark-Elizabeth area was expanded and modernized last year to better handle the increasing hiring of workers in that growing area. The Commission also considered consolidation of some of its centers in accordance with its mandate to provide greater mobility and utilization of the existing waterfront work force. It is awaiting the results of negotiations between management and labor on their hiring procedures concerning contractual seniority before making its own determination whether such consolidation would be practicable, feasible and in the best interest of the port.

The Waterfront Commission extends its appreciation to the various local, state and federal agencies, and the civic and community groups in both New York and New Jersey which have cooperated in its regulatory and informational activities. Cooperation among law enforcement agencies is of prime importance for any successful crusade against crime and such cooperation is the constant endeavor of the Commission for the public good. The Commission is a member of the Joint Strike Force for the Southern District of New York and members of the Commission's staff are associated with the International Association of Chiefs of Police and the Police Chiefs Associations of New York and New Jersey. Last year, the Commission played a key role in the formation of the International Association of Port Police composed of enforcement agencies throughout the world devoted to a full exchange of information to help solve their mutual problems, particularly in the area of cargo theft.

CONCLUSION

Throughout the years the Waterfront Commission has used its regulatory powers to enhance the health and safety and well being of the people of New York and New Jersey to maintain the economic stability of the Port. The preservation of the gains already accomplished and the need for continued improvement on the waterfront requires that the Commission finds and hereby finds and determines that public necessity 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 operation of the Employment Information Centers as provided in Article XII of the Compact.

Respectfully submitted,
JOSEPH KAITZ
Commissioner for New York
STEVEN J. BERCIK
Commissioner for New Jersey

Container activity at Port Newark, N.J.



Container loading



Break bulk loading

WATERFRONT COMMISSION EMPLOYMENT INFORMATION CENTERS



FINANCIAL STATEMENT WATERFRONT COMMISSION OF NEW YORK HARBOR

Statement of Cash Receipts and Disbursements for the Year Ended June 30, 1970

Balance of funds at beginning of year:			
Cash balance (net of amounts withheld from employees' earnings)	\$104,435.89		
Cash in badge deposit savings account	11,145.00		
Time certificates of deposit	125,000.00		
Penalty time deposit account	38,000.00		
Advance for construction of Employment Center #11	10,000.00		
	<u>288,580.89</u>		
Receipts:			
Assessments on employers of persons registered or licensed by the Commission	\$3,126,039.87		
Interest on United States Treasury bills	6,133.30		
Interest on Time Certificates of Deposit	13,743.63		
Interest on badge deposit savings account	474.44		
Badge deposits (net)	260.00	3,146,651.24	
		<u>3,435,232.13</u>	
Disbursements:			
Salaries	2,075,850.39		
Rentals	253,419.49		
Retirement, group insurance and social security taxes	427,696.59		
Implementation of guaranteed annual income plan	60,866.78		
Special services and expense	35,928.90		
Communications	54,892.04		
Carfare, auto and travel expense	38,299.04		
Leasehold alterations	44,462.40		
General office expense	25,470.62		
Repairs and maintenance	33,262.30		
Furniture, fixtures and equipment	40,415.34		
Hearing officers, auditors and consultant fees	19,575.00		
Insurance	30,506.08		
Light, heat and power	17,784.53		
Printing	19,281.85		
Miscellaneous overtime expense	9,027.31		
Seniority plan costs	27,997.73		
New center—Bayonne, N. J.	51,842.05	3,266,578.44	
		<u>3,266,578.44</u>	
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	169,457.00		
Less taxes and other withholdings from employees	22,208.31		
	<u>147,248.69</u>		
Cash in badge deposit savings account	11,405.00		
Advance for construction of Employment Center #11	10,000.00		
	<u>10,000.00</u>		
		<u>\$168,653.69</u>	

WATERFRONT COMMISSION OF NEW YORK HARBOR

Construction Fund — Employment Center #11 for the Year Ended June 30, 1970

Advance from Waterfront Commission of New York Harbor	\$10,000.00		
Prior years' receipts, net	65.00		
		<u>10,065.00</u>	
Cash in checking account at beginning of year			
			10,065.00
Receipts:			
Reimbursement by Port of New York Authority	\$143,362.50		
Reimbursement by Waterfront Commission of New York Harbor	67,200.83		
		<u>210,563.33</u>	
Disbursements:			
Construction costs	196,611.00		
Architect's fee	4,232.33		
		<u>200,843.33</u>	
Excess of receipts over disbursements			9,720.00
Cash in checking account at end of year			<u>\$19,785.00</u>

NOTE: The Waterfront Commission of New York Harbor is supervising the construction of an additional wing and alterations to Employment Center #11 which is leased from the Port of New York Authority. The cost of this construction is estimated to be \$290,000, of which the Authority will reimburse the Commission to the extent of \$225,000.



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, 1970. 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, 1970, 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 21, 1970

DIVISION OF LAW AND DIVISION OF LICENSING **Year Ended June 30, 1970**

Total Applications investigated and processed (Includes applications for registration or license as longshoreman, checker, hiring agent, pier superintendent, pier guard and stevedore.)	1,741
By Division of Law	286
By Division of Licensing	1,455
Total Witnesses Questioned	2,845
By Division of Law	1,658
By Division of Licensing	1,187
Summary Proceedings Completed	86
Petitions	194
Investigations Conducted and Completed	309
Recent Arrests Investigated and Completed	123
Probationary Cases Investigated and Completed	87
Requests for Reinstatement from Withdrawal and Decasualization	114
Total Hearings Ordered (By both Divisions)	454
Total Formal Hearings Conducted and Completed (By both Divisions)	414

DIVISION OF INVESTIGATION **Year Ended June 30, 1970**

Investigations conducted (including those for administrative hearings, licensing applications, intelligence files, pier security evaluations, etc.)	6,141
Arrests and Apprehensions*	
for theft	125
for gambling	19
for other offenses	7

* includes registrants and non-registrants.

PETITIONS **Year Ended June 30, 1970**

	Denied	Granted	Totals
Petitions for Reconsideration or Leave to Reapply	44	31	75
Petitions for Rehearing		1	1
Petitions to Withdraw	1	6	7
Petitions to Remove Ineligibility by Reason of Criminal Conviction		9	9
Petitions to Vacate Orders of Temporary Suspension	58	44	102
TOTALS	103	91	194

COMMISSION DETERMINATIONS **Year Ended June 30, 1970**

	APPLICATIONS				AND	REVOCATIONS				TOTALS
	Denied	Granted	Revoked	Revoked L.R.		Sus-pended	Repri-manded	Dis-missed	Sus-pended Pending Hearing	
Longshoremen	47	14	26	9	38	1	7	77	219	
Checkers	13	10	8	4	5	1	1	11	53	
Hiring Agents	2	1	1	1	1	1	1	1	9	
Pier Superintendents	0	0	0	0	0	0	0	0	0	
Port Watchmen	17	1	10	1	0	0	0	11	40	
Stevedores	0	11	0	0	0	0	0	0	11	
TOTALS	79	37	45	15	44	3	9	100	332	

* 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

SOURCE: Waterfront Commission of New York Harbor.

* Fiscal year begins on 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

SOURCE: Waterfront Commission of New York Harbor.

* Fiscal year begins on July 1st.

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

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
Longshoremen	36,272	5,196	3,681	7,296*	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
Checkers				4,077*	618	320	398	265	134	613	171	453	286	276	320	516	1,233
Pier Guards ^b	2,890	458	265	2,893	573	350	2,415	335	168	321	199	418	2,081	472	699	1,014	858
Pier Superintendents	457	88	87	69	81	59	88	73	84	176	41	37	47	73	116	57	131
Hiring Agents	787	147	103	129	102	77	127	107	119	103	66	51	127	92	169	66	172
Stevedore Companies ^c	77	7	54	4	45	4	45	0	36	1	29	0	53	5	53	7	99
TOTALS	40,483	5,896	4,190	14,468	7,359	4,301	7,056	3,706	2,683	4,403	2,146	2,525	3,877	4,024	2,914	3,506	7,303

* 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.

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
Longshoremen				27,537*	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
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
Hiring Agents	612	592	597	618	645	630	622	589	607	609	578	565	606	631	600	559	602
Pier Supts.	355	365	379	380	407	408	411	392	403	438	418	417	414	430	417	365	403
Pier Guards	2,796	3,009	3,010	2,319	2,414	2,218	2,021 ^b	2,047	1,961	1,756	1,652	1,801	1,551	1,630	1,654	1,637	1,548
Stevedores	54	52	48	45	46	45	39	36	33	29	29	28	49	49	50	46	93
TOTALS	38,934	35,657	31,084	34,961	35,841	32,441	31,543	29,865	29,178	30,026	27,282	27,114	26,127	25,312	23,862	23,554	24,271

(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.

COMPARISON OF AVERAGE EARNINGS OF LONGSHOREMEN AND CHECKERS

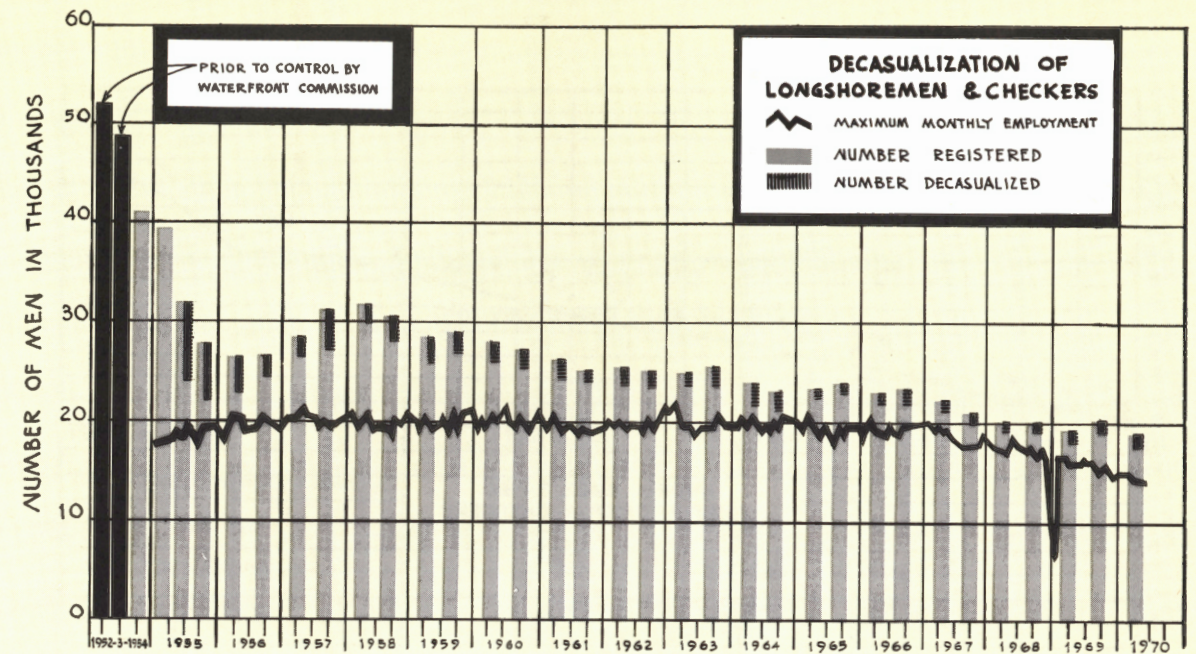
	1954	1968	1969
\$10,000 and over	(*)	5,124	3,910
\$ 7,000 to \$10,000	406	8,815	8,381
\$ 6,000 to \$ 7,000	802	2,194	2,183
\$ 5,000 to \$ 6,000	2,589	1,479	1,503
\$ 4,000 to \$ 5,000	6,330	1,043	1,241
\$ 3,000 to \$ 4,000	7,013	852	1,319
UNDER \$3,000	24,193	4,058	3,994
TOTAL REPORTED	41,333	23,565	22,531
Total Earnings	\$102,061,108	\$169,961,891	\$154,996,290
Total Hours Worked	37,813,991	39,844,742	33,935,416
% Hours Overtime	24.3%	28.2%	27.0%
AVERAGE ANNUAL WAGES**	\$ 2,469	\$ 7,212	\$ 6,879

* 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, 1969.

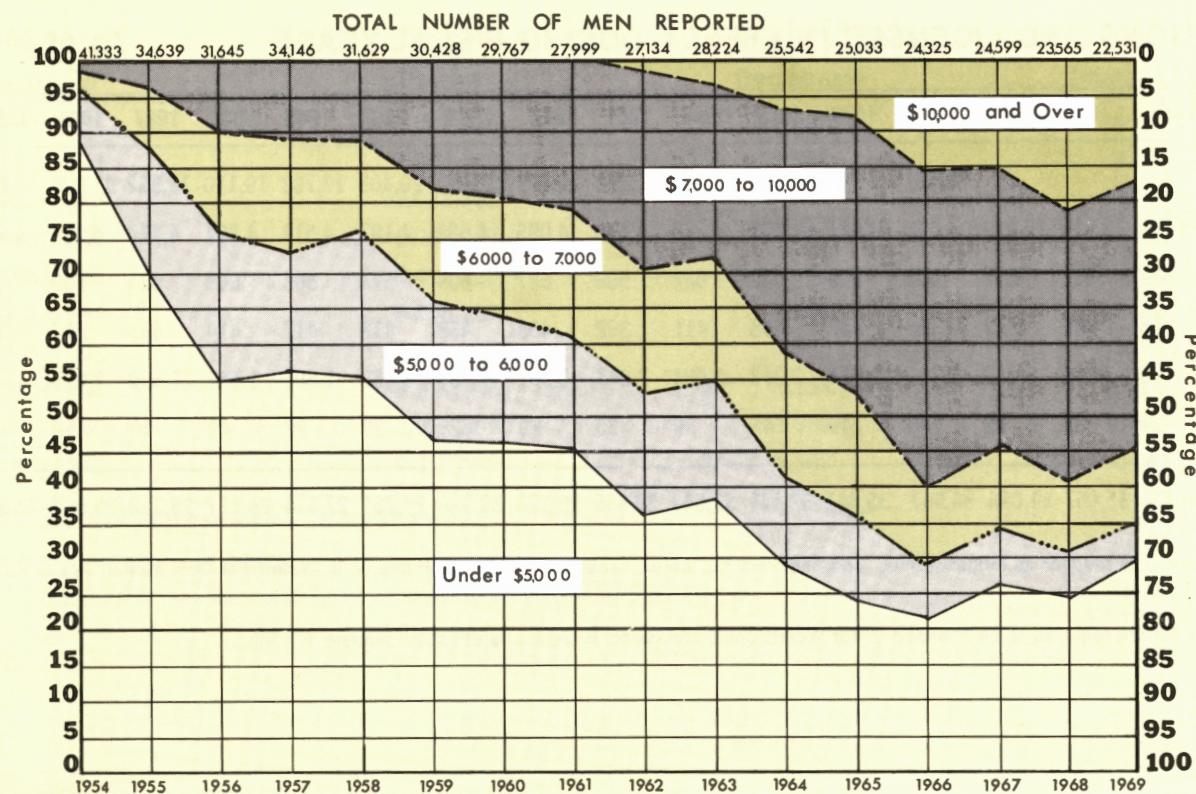


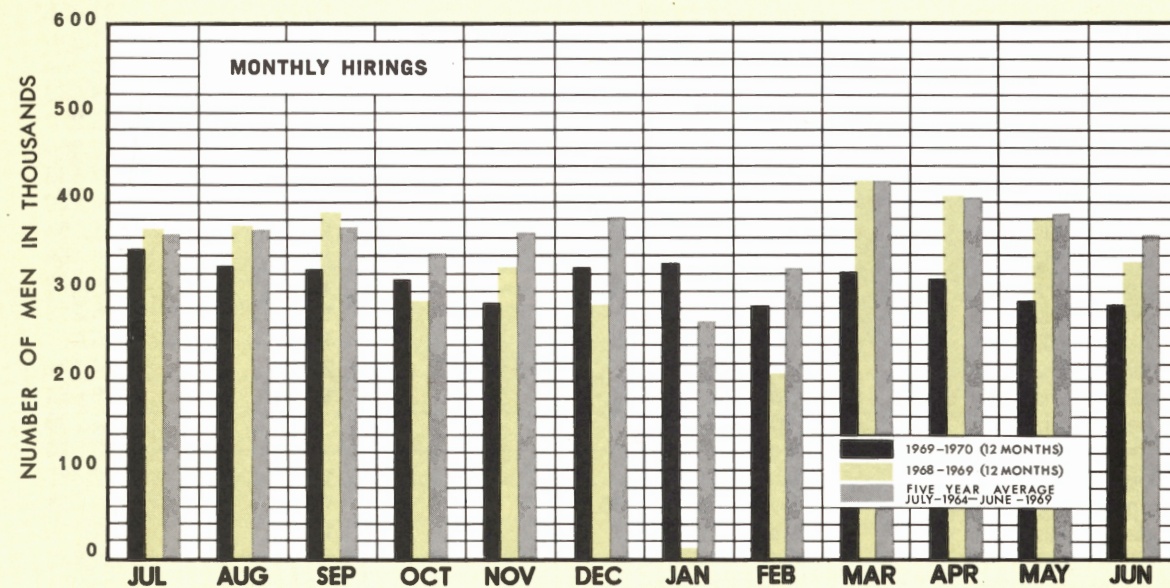
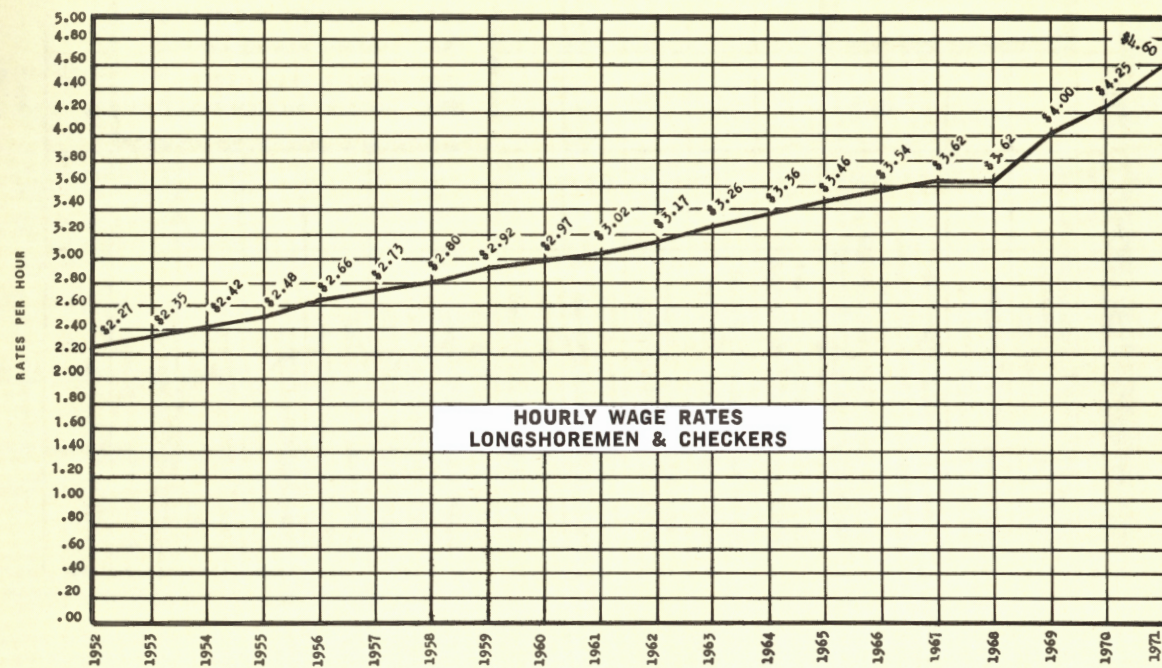
DECASUALIZATION OF LONGSHOREMEN AND CHECKERS

		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

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

COMPARISON OF AVERAGE EARNINGS OF LONGSHOREMEN & CHECKERS

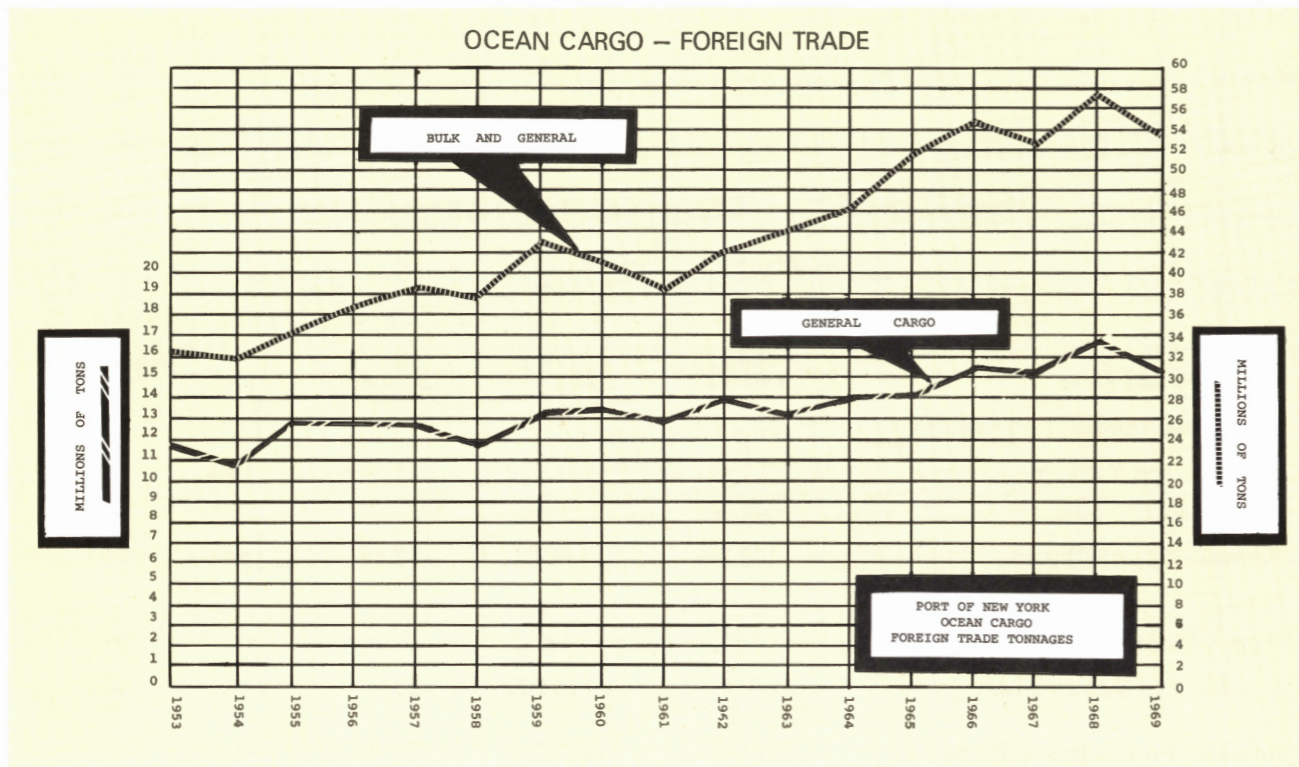




AREA SURVEY OF WATERFRONT HIRINGS

(For year ended June 30, 1970)

Piers and Areas	Hirings 1969-1970	Hirings 1968-1969	% Change	% Share of Port Employment 1969-1970	% Share of Port Employment 1968-1969
Piers 64-99 North River including					
Irvington and Yonkers	256,767	291,222	-11.83	06.8	07.6
Piers 53-62 North River	22,004	130,700	-83.16	00.6	03.4
Piers 18-52 North River	150,775	142,958	+05.46	04.0	03.7
Piers 1-17 North River					
Piers 4-68 East River	141,303	150,320	-05.99	03.7	03.9
TOTAL-MANHATTAN	570,849	715,200	-20.18	15.1	18.6
Brooklyn Port Authority Piers					
Long Island City, Greenpoint and Williamsburg, Atlantic and Erie Basins, Breakwater and Gowanus	621,479	571,389	+08.76	16.4	14.9
Bush Docks 21st Street, Green Docks and 39th Street	538,688	548,462	-01.78	14.3	14.3
	129,233	261,929	-50.66	03.4	06.8
	474,376	543,103	-12.65	12.5	14.2
TOTAL-BROOKLYN	1,763,776	1,924,883	-08.36	46.6	50.2
TOTAL-STATEN ISLAND	175,200	147,930	+18.43	04.6	03.9
Port Newark and Port Elizabeth,					
Perth Amboy and Carteret	861,779	678,009	+27.10	22.8	17.7
Jersey City	58,106	55,298	+05.07	01.6	01.4
Hoboken, Weehawken and Edgewater	261,388	210,678	+24.06	06.9	05.5
Bayonne	89,558	104,100	-13.96	02.4	02.7
TOTAL-NEW JERSEY	1,270,831	1,048,085	+21.25	33.7	27.3
TOTAL-PORT OF NEW YORK	3,780,656	3,836,098	-01.45	100.00	100.00



WATERFRONT COMMISSION OF NEW YORK HARBOR 1969-1970

JOSEPH KAITZ, *Commissioner for New York*

STEVEN J. BERCIK, *Commissioner for New Jersey*

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

JAMES J. DAVITT, *Secretary to the Commission*

JEROME JAY KLIED, *Assistant to the 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



5130 050

