

# INDUSTRIAL DISPUTES TRIBUNAL

Dispute No: IDT 30/2015

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## SETTLEMENT OF DISPUTE

BETWEEN

SEAPORT EQUIPMENT LIMITED

AND

BUSTAMANTE INDUSTRIAL TRADE UNION

AND THE

***AWARD***

I.D.T. DIVISION

MR. DONOVAN HUNTER	-	CHAIRMAN
MR. LESLIE HALL	-	MEMBER
MR. CLINTON LEWIS	-	MEMBER

JANUARY 21, 2016

**IDT 30/2015**

**INDUSTRIAL DISPUTES TRIBUNAL**

**AWARD**

**IN RESPECT OF**

**AN INDUSTRIAL DISPUTE**

**BETWEEN**

**SEAPORT EQUIPMENT LIMITED  
(THE COMPANY)**

**AND**

**BUSTAMANTE INDUSTRIAL TRADE UNION  
(THE UNION)**

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**REFERENCE:**

By letter dated September 8, 2015, the Honourable Minister of Labour and Social Security in accordance with Section 11A (1)(a)(i) of the Labour Relations and Industrial Disputes Act (hereinafter called “the Act”), referred to the Industrial Disputes Tribunal for settlement, in accordance with the following Terms of Reference, the industrial dispute described therein:-

The Terms of Reference were as follows:

*“To determine and settle the dispute between Seaport Equipment Limited on the one hand and the Bustamante Industrial Trade Union on the other hand over the Union’s claim for increased wages and improved conditions of employment.”*

**DIVISION:**

The Division of the Tribunal which was selected in accordance with Section 8(2) (c) of the Act and which dealt with the matter comprised:

Mr. Donovan Hunter	-	Chairman
Mr. Leslie Hall	-	Member, Section 8(2) (c) (ii)
Mr. Clinton Lewis	-	Member, Section 8(2) (c) (iii)

**REPRESENTATIVES OF THE PARTIES:**

The **Company** was represented by:

Mr. Oscar Bridge	-	Director
Mr. Kenneth Myrie	-	Financial Controller

The **Union** was represented by:

Mr. Wesley Nelson	-	Snr. Vice President
Mr. Andrae Emmanuel	-	Chief Delegate
Mr. Dexton Reid	-	Delegate

**SUBMISSIONS AND SITTINGS:**

Briefs were submitted by both parties who made oral submissions during two (2) sittings held between November 30, 2015 and December 1, 2015.

**BACKGROUND:**

Seaport Equipment Limited hereinafter called the Company was incorporated in 1976 as an equipment company on the port of Kingston supplying crane and forklift services. In April 1988 the company reorganized and expanded its activities to include general marine services as set out below:

- Surveyors
- Pilot Boat Service
- Launch Service
- Line Handling Service

- Commercial Diving Department
- Trucking Department
- Reefer Department
- Ship Management Department

In 2007 Boat Services Limited was acquired by Seaport Equipment Limited. The main function of Boat Services is to provide service to Pilots in the Kingston Harbour. Pilots are required to board vessels at port of entry on the piers and in sailing the team ensures that the vessels exit the harbour to open water safely. Coxswains and Deckhands employed by Seaport Equipment Limited are primarily deployed to Boat Services Limited to operate these boats to and from entry point with a pilot officer and visitor.

The Bustamante Industrial Trade Union (BITU) hereinafter called the Union is a registered trade union under the laws of Jamaica with registered offices at 98 – 100 Duke Street, Kingston.

The Union gained bargaining rights for the Coxswains and Deckhands staff on October 7, 2014. On October 10, 2014 the Union submitted a twelve point claim for improved wages and benefits on the Company. Negotiations at both the local level and at the Ministry of Labour failed to produce a settlement and the dispute was consequently referred to the Industrial Disputes Tribunal for settlement.

At the 1<sup>st</sup> sitting of the Tribunal, the parties agreed that the following items of claim had been withdrawn and consequently no longer before the Tribunal:

- Group Life Coverage
- Health Scheme
- Bathroom facility
- Discomfort Allowance
- Portage Fee
- Vacation Leave
- Forty Hours Work Week

### **THE UNION'S CASE:**

The Union called two (2) witnesses in support of its case. They contended that the wages and allowances were small and needed improvement. They asked that the Tribunal make an Award on the following items of claim:

- Meal Allowance
- Super Allowance
- Taxi Fare Allowance
- Wages
- Laundry Allowance

The Union tendered a comparison of some of the rates that are paid to various unionized group within the industry (Exhibit 1). They submitted that the current allowances that are being paid to the workers are very low when compared to others in the industry such as Port Authority and Petrojam. It is their submission that they are not asking for comparative rates, what they are asking for is an increase. The Union through its witnesses informed the Tribunal that the workers were required to be out at sea at times for more than twelve (12) hours and as such should be provided with some amenities.

### **THE COMPANY'S CASE:**

The Company called one (1) witness in support of its case. The Company contends that it is unable to meet the increases being asked for by the Union. Through its Group Financial Controller, Mr. Kenneth Myrie, the Company presented the financial statements of Seaport Equipment Limited and Boat Services Limited. Both financial statements have shown that the Company is operating at a loss. Boat Services gets its revenue from a contractual arrangement with the Port Authority of Jamaica for the provision of Pilot Boat Service. The rising cost of maintenance, fuel and labour outweigh the revenue over the years and request from the Port Authority to have the tariff rates increased have not been adequately addressed, hence, the deficit now being experienced. In addition, the number of vessels calling the ports in Kingston has declined by approximately 15% since Seaport Equipment Limited acquired the Company in 2007.

There has been no change in the operation for 2015, as we also suffered a financial loss. Boat Services Limited has suffered losses before taxation of \$40.9m over the last three (3) financial years. The Company aims to preserve jobs until its revenues allow it to pay improved salaries.

**FINDINGS:**

The Tribunal gave careful consideration to the submissions made by both parties and make the findings as follows:

- The company has made a lost in the last 2 years
- The price of fuel has been decreasing in the past year and this is one of the main cost drivers.

**RECOMMENDATION:**

The Tribunal is recommending that the Company provides basic comfort including sanitary convenience for the persons on the Boats that are out at sea for 8-12 hours at times also some rations are provided for these same persons.

**AWARD:**

- Meal Allowance - \$600 - 12 hour shift
- Supper Allowance - No Award
- Taxi Fare Allowance - No Award
- Wages - 6% increase - year 1  
5% increase - year 2
- Laundry Allowance - \$1500 - per month

DATED THIS 21<sup>ST</sup> DAY OF JANUARY 2016



*Donovan Hunter*

.....  
Donovan Hunter  
Chairman

*Leslie Hall*

.....  
Leslie Hall  
Member

*Clinton Lewis*

.....  
Clinton Lewis  
Member

Witness:

*Royette Creary*

.....  
Royette Creary  
Secretary to the Division