



# CONFERENCE PROCEEDINGS

## PORT NEWARK/ELIZABETH IN THE GLOBAL ECONOMY

### Summary

On June 1, 2006, the United Nations Association, USA-New Jersey Division, and three units of Rutgers, The State University of New Jersey sponsored a conference at Essex County College on the Port Authority of New York and New Jersey. Approximately 80 individuals from diverse community, academic, professional, and religious backgrounds participated in the event.

The conference had several goals. Speakers from Rutgers, the Port Authority, the International Brotherhood of Teamsters, and a variety of local churches and community organizations were asked to address the impact of the growth of trade through the Port of Newark and Elizabeth on local jobs and labor markets, environmental and job safety concerns, and impediments to the future growth of this vital economic sector. Other goals were to serve as a catalyst to creating community connections between the various stakeholders and to provide stakeholders with recommendations on how to help the global economy at the Port serve the welfare of the whole region, especially its major urban communities.

Follow-up activities include the organization of Port tours, and a second conference to be held in late spring 2007. That conference will provide an update on the research and community building activities that are scheduled to take place in the coming year.

The remainder of these proceedings describes the opening session, workshops, and luncheon keynote comments of Congressman Donald Payne.

### Opening Session: Setting the Stage

Reverend Charles Rawlings, former head of the New Jersey Council of Churches and representative for the United Nations Association in New Jersey, opened the conference by calling for a public conversation about the future of the Port in the global economy and its impact on the welfare of local communities. Citing the Universal Declaration of Human Rights, he underlined its principle of the right of people around the world to “just and favorable conditions of work.” The growth of trade, particularly imports from China, presents opportunities and challenges for New Jersey’s communities and their working populations. “The whole community should participate in planning the shape of the Port’s future,” he said.

David Bensman, Professor of Labor Studies and Employment Relations at Rutgers University-New Brunswick, presented an overview of the global economy, showing that the rapid increase in trade with Asia was creating thousands of jobs in industries involved with the distribution of freight brought in from abroad, in warehousing, logistics, and port trucking. This economic sector now exceeds manufacturing in New Jersey, Bensman pointed out. However, many of the jobs in the freight distribution sector are inferior to the manufacturing jobs that have been displaced by imports. Bensman compared the global economy to a barbell, with a large number of low-paying manufacturing jobs in Asia and Latin America on one end, and large numbers of low-paying jobs in freight distribution in the United States on the other. The ends of the barbell are connected by a narrow section of high-paying, knowledge-intensive professional jobs, Bensman contended.

Maria Boile, Associate Professor of Civil Engineering at the Center for Advanced Infrastructure and Transportation at Rutgers-New Brunswick, presented on how the Port of New York and New Jersey is growing as a result of the growth of trade, the growth of transportation technologies, and improvements in information processing systems. These advances create new opportunities for growth of high-technology jobs, and new bottlenecks that impede freight distribution; the metropolitan region faces the challenge of clearing these bottlenecks if it wants to achieve continued growth, she said.

William M. Rodgers III, Professor of Public Policy and Chief Economist at the John J. Heldrich Center for Workforce Development at Rutgers-New Brunswick, reported on his graduate students' research on jobs in the warehousing industry at the Port of Newark and Elizabeth. Students found that there were significant barriers blocking residents of nearby urban communities from obtaining employment at the Port. Lack of information about

job opportunities, and inadequate transportation connections were among the main obstacles. Professor Bensman reported that in two of the largest industries at the Port — seafaring and port trucking — deregulation has produced dysfunctional labor markets at the same time that it has brought down the cost of moving freight around the world. Seafarers are now drawn from poor countries around the world, and are forced to work for wages that range from \$200 to \$1,200 per month. Port truckers are now mostly owner-operators, who bear most of the risk, and enjoy few of the benefits of entrepreneurship. High turnover rates and labor shortages are chronic, Bensman reported.

Community participation began in response to the opening presentations and continued throughout the day. Reverend Andy Moore, Director of the International Seafarers' Center at Port Newark, led off the responses, chronicling the difficulties of the life at sea of the seafarers that his church, an industrial mission, serves. Vivian Cox-Fraser of the Urban League of Essex County, Reverend Geoff Curtiss of All Saints Episcopal Church in Hoboken, New Jersey, and Ron Carver of the International Brotherhood of Teamsters each pointed to the interests of the members of their organizations in the future growth of the Port.

## Workshops

At workshops, conference participants discussed globalization, environmental issues, and jobs in warehousing and port trucking. Fred Potter, President of Teamsters Local 469, noted that inadequate regulation of port trucking not only imposed job safety and health risks for drivers, but also public safety and homeland security risks for the public.

At the workshop on environmental concerns, Yael Bromberg led a discussion about how diesel pollution from ships and trucks had been addressed

by environmentalists and labor unions in the ports of Los Angeles and Long Beach; Lucy Ambrosino of the Port Authority of New York and New Jersey pointed out how the environments of the metropolitan New York/New Jersey port and the southern California ports differed.

In the warehousing workshop, residents of Newark and Elizabeth asked how community residents could gain access to jobs in the Port, and officials of the New Jersey Department of Labor reported on recent initiatives to provide job training and information. Professor Rodgers indicated that much warehousing was moving out of the Port, to inland depots in New Jersey and Pennsylvania, far from the underemployed workers of New Jersey's major cities.

## **Luncheon Keynote Address/ Closing Remarks**

The conferees were welcomed to their task by a letter from Jon S. Corzine, Governor of the State of New Jersey.

Congressman Donald Payne, whose district includes Port Newark, and who worked in the Port while a young adult, addressed the conference during the lunch hour, congratulating the sponsors for beginning a highly diverse public and civic dialogue about the future of the Port.

Tom Wakeman, a program officer for the Regional Ports Program of the Port Authority of New York and New Jersey, wrapped up the conference with an analysis of the opportunities and challenges facing the metropolitan region as it attempts to accommodate the growth in global trade. Collaboration between all the stakeholders in the community is necessary, he argued, for the region to take advantage of the opportunities.

Informal post-conference evaluation expressed satisfaction with the opportunities the conference provided to engage a diverse mix of community interests.