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## **Panama Canal Pilots Claim U.S. Will Turn Over Waterway Plagued with Problems**

by LADB Staff

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Canal pilots created a conflict with the administration of President Ernesto Perez Balladares by saying that the US will deliver the waterway "full of problems" at the end of next year or might even refuse transfer of the canal because of safety concerns. On Jan. 25, the Asociacion de Pilotos said that, because of administrative changes underway, which include layoffs of up to half the 300 pilots, the canal faces a "high risk of accidents."

Behind the warnings is a labor dispute between the pilots and the canal about the downsizing. Pilots say the layoffs will reduce the number of pilots to dangerous levels, increase the workload of those remaining on the job, and risk costly accidents for which the canal authority might be unable to compensate shipowners. The customary working rules for pilots are ripe targets for administrative trimming. Pilots earn an average yearly salary of more than US\$100,000, and they receive four weeks rest for every six weeks worked.

Canal officials said the association wants to maintain the work schedule although it was designed to give US pilots time to travel back to the US. Now, however, most pilots are Panamanian and the schedule should be changed, say the officials. Canal board president Louis Caldera said the layoffs are necessary to control costs and retain customers who otherwise could find less costly shipping routes.

The pilots argue that the "6 x 4" work schedule has nothing to do with travel to the US. It is a schedule recommended by physicians to give pilots needed rest and is in practice for pilots all over the world, they said. A major concern for the association is that the 83 US pilots remain on the job long enough to train new recruits. The canal commission will not have time to train new pilots, say association spokespersons. If there were an accident under those conditions, "we would face a catastrophe," said one pilot, because under US law, the canal commission is obligated to pay only US\$1 million in damages caused by canal accidents.

Posing a hypothetical accident involving chemical-laden tankers, one pilot asked, "What would happen if there were an accident in the cut where the Miraflores water purification plant is located and all those who get their water from there were poisoned?" The association's concerns have been seconded by the Central General de Trabajadores de Panama (CGTP). The labor organization's secretary general, Alberto Aguilera, accused Perez Balladares and canal authorities of creating chaos through their labor policies.

### ***Canal minister calls pilots "unpatriotic"***

President Perez Balladares said the pilots were "misinformed" and that a small group of two or three, who had taken their message to New York and London, were spreading lies about the

condition of canal operations. The pilots denied the charge and said the three pilots who went abroad were sent as representatives of the association. Association president Jorge Tera said he planned to send delegations to Japan and other major shipping countries. The conflict caused Minister for Canal Affairs Jorge Ritter to call the pilots "unpatriotic" for making extravagant claims about a simple labor dispute. He denied the job reductions would affect pilots, but admitted that some US pilots may retire in 2000.

Ritter also ridiculed the claim that the US would delay the canal's transfer because of a labor dispute. In Washington, Panama's Ambassador to the US Eloy Alfaro said the dispute was hurting the country's image abroad, especially among the international maritime countries. He said that, while individuals in the US Congress want to revive the issue of locating an anti-narcotics base (Centro Multilateral Antidrogas) in Panama (see NotiCen, 07/09/98, 10/01/98), there is no governmental interest in either country in altering the terms of the 1977 Torrijos-Carter Treaties.

As the conflict wore on, association leaders accused the government of offering pilots a 12% pay increase to shut them up and to hide their concerns about safety under "a smokescreen." (Sources: Notimex, 01/29/99; El Panama America, 01/22/99, 01/26/99, 01/27/99, 01/28/99, 01/30/99, 01/31/99)

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