

MARINE ENGINEERS' BENEFICIAL ASSOCIATION (AFL-CIO)

"On Watch in Peace and War since 1875"



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PORT FEES FOR CHINA-LINKED VESSELS REMAIN ON HOLD

While the United States and China reached a recent agreement to extend their broader trade truce into January, uncertainty remains over what will eventually be done with proposed U.S. port fees targeting Chinese-built, -owned or -operated vessels. The port fees emanated from the USTR's 2024 Section 301 investigation into China's policies supporting its maritime, logistics and shipbuilding sectors.

The original action established fees on vessels operated by Chinese companies and Chinese-owned vessels, as well as on Chinese-built vessels operated by non-Chinese carriers. A separate fee structure was established for certain foreign-built vehicle carriers. When the fees were initially imposed in October 2025, the action was presented as part of a broader effort to address China's dominance of global shipbuilding and encourage investment in the U.S. maritime industrial base.

The prospect of these fees led to a 23.5 percent decrease in orders at Chinese shipyards in just nine months. But after China imposed its own retaliatory fees on U.S. ships and massive tariffs on critical minerals used in military technology and semiconductors, President Trump suspended the shipping fees and restrictions for one year, with China doing the same. Within days, the backlog of orders on hand at Chinese ports rose by 25 percent. Since then, the Trump administration has still reiterated the need to “reclaim America's maritime strength” and generate “demand for U.S.-built ships, shipyards, and mariners.”

Under the U.S. Trade Representative's formal notice last year, the suspension would have run through 11:59 p.m. Eastern Time on November 9, 2026. Now that the countries recently announced an additional two-month suspension of the overall trade agreement, it appears the fees would become applicable again on January 10, 2027. The White House fact sheet from the recent meeting between Presidents Donald Trump and China's Xi Jinping did not address the vessel fees.

The shipping industry awaits formal direction from the USTR on whether the maritime measures will resume, be modified or be suspended for an additional period. The decision will determine whether the U.S. again applies financial pressure to China-linked and Chinese-built vessels as part of its broader effort to rebuild American maritime and shipbuilding capacity.

DOCKWORKERS UNITE AGAINST JOB-KILLING AUTOMATION

Approximately 100 dockworker union delegates from the United States, Canada, Australia and New Zealand gathered in Vancouver last week for an international summit focused on the growing use of automation and artificial intelligence in port operations.

The International Dockworkers Anti-Automation Summit, held September 21-23 at the Maritime Labour Centre, brought together representatives from the International Longshore and Warehouse Union (ILWU), International Longshoremen's Association (ILA), Maritime Union of Australia (MUA), Maritime Union of New Zealand (MUNZ), Rail and Maritime Transport Union of New Zealand, Syndicat des Débardeurs (CUPE Local 375), International Transport Workers' Federation and International Dockworkers Council.

The summit concluded with participating unions marching to the DP World Centerm container terminal at the Port of Vancouver for a rally opposing the use of automation and AI to eliminate secure waterfront jobs and weaken organized labor.

DP World Canada is the country's largest container terminal operator, providing marine cargo handling, port operations, and integrated end-to-end logistics solutions. Doug Smith, Chief Executive of DP World Canada, claims that investing in port automation and technology expands cargo handling capacity and actually increases longshore work hours and jobs. "We are investing in automation — which is standard across much of the North American industrial landscape—to create more jobs and strengthen the competitiveness of Canadian ports."

The unions adopted a joint campaign opposing automation used for union busting, the introduction of technology without a meaningful benefit to workers, and job losses or reductions in pay resulting from new technology. They also called for workers to have the right to negotiate over technological changes before they are implemented.

ILA Executive V.P. Dennis Daggett, who also serves as General Coordinator of the International Dockworkers Council, emphasized that the impact of waterfront job losses extends beyond the docks. "When you destroy good-paying dockworker jobs, you hurt our families and entire port communities," Daggett said, noting the economic impact on restaurants, stores, contractors and other small businesses supported by port workers.

The participating unions agreed that technology should make work safer and strengthen port communities, rather than serve as a vehicle for job cuts, outsourcing, workplace surveillance, union avoidance or weakened safety standards. The Vancouver summit marked the beginning of a coordinated international campaign in which unions will work together to address automation and other technological changes affecting dockworkers across their respective ports.

JONES ACT WAIVER IS SAVING LESS THAN A THIRD OF A PENNY

Nearly 200 days after the Jones Act was waived in an effort to ease fuel costs, gasoline prices remain virtually unchanged while diesel prices have climbed substantially, raising questions about the waiver's effectiveness. When the waiver was extended in May, regular gasoline averaged \$4.48 per gallon nationwide and diesel was \$5.60. Today, gasoline remains around \$4.47 per gallon, while diesel has risen to more than \$6.30 per gallon, according to the U.S. Energy Information Administration. Meanwhile, a Navigistics Consulting analysis estimated that the maximum theoretical impact of the

Jones Act on the national average price of gasoline is just \$0.0027 per gallon — less than one-third of a cent.

Fuel prices have remained elevated amid broader market pressures, including disruptions involving the Strait of Hormuz, attacks on Russian refining capacity, constrained inventories and limited refining capacity. Those factors, rather than a shortage of foreign vessels available for domestic transportation, have been identified as major drivers of current fuel prices.

The American Maritime Partnership noted that the continued high cost of fuel, growing waiver requests and questions surrounding voyage reporting underscore the need for rigorous case-by-case review. U.S. vessels and American mariners should be utilized whenever available, while existing waiver requirements are enforced and the capacity reserved for the U.S. domestic trade is protected.

“BIG U” AWAITING DATE WITH DAVY JONES LOCKER

One of the greatest ocean liners ever built is slated to become the largest artificial reef ever created, with a scuttling hinging on the U.S. Army Corps of Engineers’ imminent sign-off. The SS UNITED STATES still holds the “Blue Riband” westbound trans-Atlantic speed record. M.E.B.A. officers filled both engine rooms of the great ship during the Big U’s heyday in the 1950s and ‘60s. The iconic vessel was retired in 1969.

Since 2009, the ship’s conservancy had sought to repurpose the ship as a museum, but finally ran out of time while it searched for suitors. With the Big U facing eviction from its Philadelphia port, the conservancy finally decided to accept a plan to transform the ship into an artificial reef calling it the “most dignified” choice over scrapping.

Owners of the nearly 1,000-foot SS UNITED STATES outlined a provisional schedule for the vessel’s final chapter, with plans to sink the famed ocean liner off the Florida Panhandle. The proposal has been under development for well over a year, even as preservation advocates continued to press for the ship’s restoration and return to service in some form.

The ocean liner has been docked in Mobile, Alabama since arriving in March 2025, where preparations for its final voyage have been completed. County officials plan to sink the vessel about 20 miles south of Destin-Fort Walton Beach, creating what they describe as the world’s largest artificial reef. The Okaloosa County Board of County Commissioners recently approved another \$1.2 million for the project, including \$944,000 to keep the ship docked in Mobile if necessary. The remainder restores funding for towing, deployment and regulatory expenses.

Officials say hazardous materials, including fuel, wiring and non-metal components, have been removed from the ship. The county also expects to submit a final report to the Environmental Protection Agency in the coming weeks. Until federal approvals are secured and the ship is moved offshore, the SS UNITED STATES remains docked in downtown Mobile, where it can still be viewed by the public.

REPORT SAYS UNION GROWTH COULD SHIFT \$1.2 TRILLION A YEAR TO WORKERS

A new report from the Economic Policy Institute (EPI) found that tripling union membership in the United States could vastly boost median worker pay and direct over a trillion dollars more to workers each year while helping reduce wage disparities. The report, *The Case for Tripling Union Membership*, examines what could happen if union membership in the United States were to triple, rising from roughly 10% of workers today to 30% — a level comparable to unionization rates during the 1950s. It estimates that such an increase could raise median wages for workers by 14.5%, or more than \$7,700 annually. Over a 35-year career, that would amount to nearly \$270,000 in additional earnings. EPI estimates the resulting increase in wages for workers would total approximately \$1.2 trillion annually.

Importantly, the report says the benefits would extend beyond union members. Higher union density can put upward pressure on wages in nonunion workplaces as employers compete for workers and seek to avoid unionization. EPI also estimates that tripling union membership would narrow racial wage gaps, increase access to employer-sponsored health insurance and reduce the number of uninsured workers.

The report also examines broader community effects. States with higher union density tend to have higher unemployment insurance reciprocity rates, greater per-pupil public education spending and higher rates of Medicaid expansion. EPI also finds a correlation between union strength and greater voter participation and fewer restrictive voting laws. In 2025, approximately 14.7 million U.S. workers — 10% of wage and salary workers — were union members. At the same time, EPI cites survey research indicating that roughly 56 million nonunion workers would vote to unionize if given the opportunity.

The report concludes that rebuilding union density would require changes in federal and state labor policies, including strengthening collective bargaining rights and removing barriers to organizing. Its analysis presents union growth as not only a workplace issue, but one with broader implications for wages, economic inequality and communities.

SONDERLING CONFIRMED AS LABOR SECRETARY

The Senate voted 47-41 Wednesday to confirm Keith Sonderling as U.S. Labor Secretary, formally elevating President Donald Trump's longtime labor-policy ally to lead the department. Sonderling had served as Acting Secretary since April, when former Labor Secretary Lori Chavez-DeRemer resigned. A veteran of Trump's first administration and former Equal Employment Opportunity Commission official, Sonderling is closely aligned with the business community. The Labor Department under Sonderling is expected to continue emphasizing Trump administration priorities, including deregulation, expanded apprenticeships, reshoring manufacturing jobs and preparing workers for the increased use of artificial intelligence. Business groups, including the U.S. Chamber of Commerce, supported Sonderling's nomination, calling him highly qualified for the position. The AFL-CIO has been critical of Sonderling's Labor Department policies, particularly on union reporting requirements and worker-classification rules.

CMES RELEASES 2027 COURSE SCHEDULE

The Calhoon M.E.B.A. Engineering School has published its 2027 Course Schedule along with the 2027 Course Application form. Applications for these classes will be accepted via the CMES website, US Mail, and Fax. For classes held during January 1 through June 30, applications will be accepted no

earlier than November 1, 2026. For classes held during July 1 through December 31, applications will be accepted no earlier than May 1, 2027. Applications sent prior to the acceptance dates will be discarded with no notice sent to the applicant.

The course schedule and application forms can be obtained at Union Halls, the Calhoon M.E.B.A. Engineering School website (www.mebaschool.org), or by calling the School's Admissions Desk at (410) 822-9600. Due to space limitations this week, the listing of 2027 course offerings will appear in next week's *Telex Times*.

NEXT MONTHLY MEMBERSHIP MEETINGS (*All times are local*)

Monday, October 5 – **Boston@1200; Seattle (Fife)@1300.**

Tuesday, October 6 – **CMES@1430; Charleston@1400; Houston@1315; Oakland@1230; Portland, Maine@1200.**

Wednesday, October 7 – **Jacksonville@1300; New Orleans@1315; Online HQ “Town Hall” Meeting@1300 (No Voting) – Register by emailing mebahq@mebaunion.org**

Thursday, October 8 – **L.A. (San Pedro)@1230; NY/NJ@1300; Norfolk@1300; Tampa@1300.**

Friday, October 9 – **Honolulu@1100**

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can be reached at 1-888-519-0018.***

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