



## ILWU and PMA Update

On Thursday, January 22, PMA spokesman Steve Getzug stated that remaining contract issues to be resolved include wages, pensions, jurisdiction and work rules. The ILWU reportedly made three demands in the negotiations regarding chassis jurisdiction. The ILWU wants to inspect every chassis before it leaves the terminal, jurisdiction over terminals that have a contractual relationship with the International Association of Machinists and jurisdiction over any off-dock sites operated by the chassis-leasing companies. Trucking executives that own and maintain private chassis say that if the PMA gives into the ILWU demands, they will sue the ILWU and terminal operator as soon as their chassis are stopped at gates for inspection. Inspection of every chassis by the ILWU would only add to severe congestion levels at the ports. Most of the 13 LA-LB container terminals have continued to operate night gates, after recently eliminating vessel work during night shifts. Employers stated that it had become counterproductive to unload more containers at night, adding to the mountains of containers on the docks. Terminal operators have not opened their facilities at night for several weeks now in Seattle-Tacoma and for the past two weeks in Oakland.

## Economists Predict Steady U.S. Economic Growth

At the 2015 Jump Start conference in Atlanta, Georgia this past week, economists and analysts said that solid and steady U.S. economic growth will increase freight demand, boost shipping costs and increase domestic transportation rates in 2015. Benjamin J. Hartford, senior equity research analyst at Robert W. Baird & Co., said that "We'll certainly see pricing growth in the front half of the year. A lot of that growth will be demand dependent." Lower oil and energy prices have powered growth and will continue to stimulate economic activity.

## Rotterdam Dockworker Union Protests Automation

The International Transport Workers' Federation (ITF) has criticized the introduction of automation at the new Rotterdam World Gateway (RWG) container terminal in the Netherlands. This week, however, the union stepped up its protest of the automated quay cranes, guided vehicles and stacking cranes. The union has called upon "all parties" to discuss RWG's labor arrangements. Terminal officials said that dockworkers from other terminals blocked RWG's gates last Friday, January 16. Dockworkers then refused to handle a barge load of containers, which had been loaded over the weekend of January 17 and 18, in the first commercial test of the terminal's technology. Paddy Crumlin, ITF President, stated "we urge all parties, and that includes not just all operators and port authorities, but also the shipping lines, to get together to defuse this situation and reach an agreed settlement to ensure that dispute does not escalate more widely."



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## Nhava Sheva Labor Settlement Reached

Following months of labor disputes and congestion issues at the Port of Nhava Sheva, a labor agreement was reached on Wednesday, January 21. Deputy Chief Commercial Officer of APMT Mumbai, Suchi Kapoor, said, "the management of Cargotec (the rubber-tire gantry crane contractor) and labor unions have reached an agreement on the new wages and some of the main terms of the collective bargaining agreement for a duration of three years." Port operations returned to "near" normal levels Monday afternoon, one day after violent protests by container trailer drivers led to the closure of gates at APM Terminals.

## Alphaliner: 2015 Box Fleet Growth to outpace 2014

According to Alphaliner, the global container ship fleet is set to increase 7.8 percent in terms of capacity this year. This is set to outpace last year's growth of 6.3 percent. As of January 1, the cellular fleet consisted of 5,035 ships with a combined capacity of around 18.37 million TEUs, an increase of 1.1 million TEUs from the previous year. The 151 ships ordered in 2014 were worth \$10.2 billion, down nearly 40 percent from 2013. Orders are expected to rise in the coming months as contracts for ultra-large container ships (18,000 to 20,000 TEUs) are due to be signed soon. Alphaliner also stated that the congestion at U.S. West Coast ports has prompted several carriers to deploy additional ships, but the majority of services on the trade are still operating their usual rotations.

## Links of the Week

### Widespread Growth Across Industries Continues in Third Quarter 2014

| INTERNATIONAL HOLIDAYS                                   |  |
|--|--|
| *Holidays do not necessarily indicate close of business* |  |
| January 23   | Pitcairn Islands                               |
| January 24   | Romania  |
| January 25   | Aruba, Egypt                                   |
| January 26   | Australia, Dominican Republic, India, Uganda + |
| January 27   | Monaco   |
| January 28   | Armenia  |
| January 29   | N/A  |

