# MARINE ENGINEERS' BENEFICIAL ASSOCIATION (AFL-CIO)



"On Watch in Peace and War since 1875"

# M.E.B.A. TELEX TIMES

The Official Union Newsletter – "The Word to the Wise" Number 10 – March 6, 2025



In this issue – President Calls for Shipbuilding Office, Tax Incentives//CMA CGM \$20 Billion Investment in U.S. Maritime//CMES Internship Program//GAO Report on Navy Shipbuilding Shortcomings//Hawley Bill Would Speed up Union "First Contracts"//PRO Act Reintroduced//Loss of Two M.E.B.A. Chief Engineers//Continue to Support the M.E.B.A. G&W//

# TRUMP ANNOUNCES WHITE HOUSE OFFICE OF SHIPBUILDING, CALLS FOR TAX INCENTIVES

During an address to Congress, President Donald Trump revealed plans to establish a White House office dedicated to shipbuilding and to introduce tax incentives aimed at revitalizing the domestic shipbuilding industry. He noted, "To boost our defense industrial base we are also going to resurrect the American shipbuilding industry, including commercial shipbuilding and military shipbuilding. And for that purpose, I am announcing tonight that we will create a new office of shipbuilding in the White House that offers special tax incentives to bring this industry home to America where it belongs. We used it to make so many ships. We don't make them anymore very much, but we're going to make them very fast, very soon. It will have a huge impact."

According to sources, a draft of the Executive Order includes policies such as levying fees on Chinese vessels and offering tax credits and grants to U.S. shipyards. The initiative follows recent actions by the Office of the United States Trade Representative (USTR), which launched an investigation into China's maritime practices in response to a March 2024 petition from major U.S. labor unions. The findings concluded that China's dominance is driven by heavy state subsidies, preferential sourcing policies, and unfair labor practices — all of which have significantly undermined U.S. maritime capabilities and cost American jobs. Over the past two decades, China's share of global shipbuilding has surged from less than 5% in 1999 to over 50% in 2023 dwarfing U.S. production. Recently, the USTR proposed new fees on vessels entering U.S. ports, including charges of up to \$1 million per entry for Chinese-operated ships and \$1.5 million per call for ships built in China, regardless of the carrier's nationality. Additional fees would be imposed on carriers based on the percentage of their new ship orders fulfilled by Chinese yards.

The Shipbuilders Council of America welcomed the White House announcement. SCA President Matthew Paxton said, "Since the founding days of our nation, the U.S. shippard industry and industrial base has played a central role in national and domestic security and remains steadfast in its commitment to maintaining our nation's security vessels while building the fleet of the future. We applaud the creation of the White House Office of Shipbuilding and the entire shippard industrial base not only stands at the ready to work with the new Office of U.S. Shipbuilding but we are also ready to answer the call to design and build America's commercial and military fleets. By fully utilizing the

existing domestic shipyard capacity, the shipyard industrial base can meet the growing demands of national defense, restore American competitiveness, and create thousands of skilled jobs in communities across the nation. Strengthening the industry-government collaboration is the key to reaching any demand signal to ensure that America remains a global leader in maritime power for decades to come."

American Maritime Partnership President Jennifer Carpenter also praised the announcement. "We commend President Trump's commitment to strengthening American maritime leadership with today's executive order, which reinforces the importance of a robust shipbuilding sector and U.S.-flagged fleet to our national, economic and homeland security. The America first Jones Act remains a cornerstone of U.S. maritime policy, fostering innovation, 650,000 American jobs and a strong domestic fleet."

### CMA CGM PLANS \$20 BILLION INVESTMENT IN AMERICAN MARITIME

At press time, CMA CGM Group, owner of M.E.B.A.-contracted American President Lines (APL), announced it is investing \$20 billion to contribute to U.S. maritime sovereignty and support the transformation of America's domestic supply chain over the next four years. CMA CGM said it will contribute to the development of American maritime capabilities through a range of targeted investments – advancing the Administration's recently-announced priority to strengthen American shipbuilding capabilities. This includes bolstering APL's U.S.-flag capacity and enhancing maritime resources with new jobs, skills, and technologies. The company said these commitments will reinforce APL, while also ensuring the safe, open, and reliable access to the oceans necessary to promote America's economic and national security ambitions.

### CMES INTERN PROGRAM READIES CADETS FOR SHIPPING CAREER

This summer, the Calhoon M.E.B.A. Engineering School (CMES) will welcome up to 80 aspiring mariners for its highly sought-after Licensed Cadet Internship program. Scheduled from July 7 to July 28 this year, the annual program is a beacon for bright maritime academy cadets nationwide, offering them a valuable head start in their shipping careers within a professional and engaging learning environment. During the three-week session, maritime academy cadets can take valuable courses and work on essential shipping skills without committing to the Union. By participating, they gain insights into the excellent career opportunities available through the M.E.B.A.

Some of the courses that cadets can take advantage of – and in most cases earn a Coast Guard certificate for – include High Voltage Safety, Combined Basic & Advanced IGF Code Operations (known as "LNG as a Fuel"), Fast Rescue Boat, Small Arms, Damage Control/Chemical, Biological, Radiological and Nuclear Defense (CBRN) and Marine Environmental, Ships Reaction Force, Security Watchstander Basic & Advanced, as well as Welding, Diesels, Machine Shop and Marine Electrical Systems.

The Union offers an initiation fee discount for those cadets who complete the program in order to entice them into the ranks. In addition, the Union allows cadets who have already made application to the Union prior to attending the Cadet Internship program, to count the weekdays spent in the three-week summer program as Group Time. This further supports these next generation mariners in getting a foothold in the Union to more effectively launch their shipping careers.

CMES encourages members to direct interested cadets in their Junior or Senior year, as well as recent graduates, to reach out and seize the opportunity by contacting the School directly through their website <a href="https://www.mebaschool.org">www.mebaschool.org</a> or by calling (410) 822-9600.

### GAO REPORT HIGHLIGHTS NAVY SHIPBUILDING SHORTCOMINGS

A recent Government Accountability Office (GAO) report reveals that despite billions of dollars in federal investments, the U.S. Navy continues to face cost overruns, delays, and capacity limitations that put its fleet expansion plans at risk. The report, "Navy Needs a Strategic Approach for Private Sector Industrial Base Investments" stresses the urgent need for a strategic approach to managing industrial base investments to ensure efficiency, accountability, and long-term sustainability.

The GAO report found that the shipbuilding industry has repeatedly fallen short of the Navy's goals. Fleet expansion plans consistently assume that the industrial base will perform better on cost and schedule than it has historically, despite ongoing infrastructure and workforce challenges. These unrealistic expectations contribute to delays and higher costs, making it difficult for the Navy to achieve its fleet-size targets. While the Navy has historically struggled with ship repair timelines, there has been some improvement since 2019. The industrial base has grown, and some companies reported having more repair capacity than the Navy has utilized. However, infrastructure and workforce constraints continue to pose challenges. For example, shipyards may not always have an available dry dock of the right size when needed, limiting the ability to complete unplanned maintenance efficiently.

From 2014 to 2023, the Department of Defense (DOD) invested over \$5.8 billion in the shipbuilding industrial base, with plans to allocate another \$12.6 billion through 2028. These funds have been used for contract incentives and direct investments in workforce and infrastructure improvements. However, the GAO report raises concerns about the effectiveness of these investments, as the Navy and the Office of the Secretary of Defense (OSD) lack full coordination in their spending.

One of the report's key findings is that the Navy lacks a unified strategy to manage its ship industrial base. The GAO made six recommendations to the DOD, including: Improving investment oversight: The Navy and OSD should enhance visibility across shipbuilding and repair investments to prevent duplication and inefficiencies; Establishing performance metrics: The Navy must develop measurable targets to evaluate the effectiveness of its industrial base investments; Assessing repair infrastructure needs: A thorough evaluation of ship repair requirements is necessary to prevent over- or underinvestment in infrastructure; Developing a ship industrial base strategy: The Navy should create a comprehensive strategy to guide shipbuilding and repair initiatives, ensuring alignment with long-term fleet goals; While the DOD did not provide formal comments on the report, the Navy largely agreed with the recommendations. It suggested that one recommendation should involve additional stakeholders within the Navy, a revision that the GAO accepted.

# TEAMSTERS-ENDORSED HAWLEY BILL WOULD SPEED UP LABOR UNION FIRST CONTRACTS

Senator Josh Hawley (R-MO.) has introduced a bipartisan bill, endorsed by the International Brotherhood of Teamsters, that would speed up first contracts for new unions. The legislation would ensure that when workers vote to unionize, a labor agreement ultimately becomes a reality. Senators Cory Booker (D-N.J.), Gary Peters (D-Mich.), Bernie Moreno (R-Ohio), and Jeff Merkley (D-Ore.) joined as original cosponsors.

After workers vote to form a union, they don't immediately reap the benefits of collective bargaining. Instead, they first need to obtain an initial agreement with management. But current law stacks the deck in favor of anti-union employers. While existing labor law requires workers and employers to bargain in good faith, the law currently doesn't impose a negotiation deadline. Over the last few years, it's taken longer and longer for new unions to secure first contracts. On average, it takes well over a year to get an agreement.

"Greedy corporations will stop at nothing to keep workers from getting a fair first contract. Their playbook is simple: stall, delay, and drag out negotiations to deny workers from securing the wages and conditions they deserve. Teamsters are proud to support the Faster Labor Contracts Act—real labor law reform that forces employers to bargain in good faith and holds them accountable when they don't," said Teamsters General President Sean O'Brien.

The Faster Labor Contracts Act would: Amend the National Labor Relations Act to require that after workers have voted to form a union, employers must begin negotiating with the new union within 10 days; Provide that if no agreement is reached within 90 days, the dispute will be referred to mediation; Stipulate that if mediation fails within 30 days, or additional periods agreed upon by the parties, the dispute will be referred to binding arbitration to secure an initial contract; Commission a Government Accountability Office report on average workplace time-to-contract one year after enactment.

#### PRO ACT REINTRODUCED

The labor movement hailed the reintroduction of the "Richard L. Trumka Protecting the Right to Organize (PRO) Act" this week. The PRO Act would revamp labor laws to beef-up collective bargaining rights and strengthen the hand of workers while weakening so-called right-to-work laws. However, that legislation, introduced in each session of Congress, perennially fails to gather Republican support in the Senate and is unlikely to make much progress without a change of headwinds in Congress.

AFL-CIO President Liz Shuler praised the bill that would impose penalties on employers who interfere with worker rights to form a union and eliminate many obstacles companies use to prevent workers from having a real voice on the job. She said, "Americans believe in the power of unions, and tens of millions of working people would become union members tomorrow if they could. But American labor law is broken, weighted on the side of the bosses and against the workers. In too many workplaces, in too many industries across the country, big corporations and billionaire CEOs still retaliate against us for organizing. They refuse to negotiate our contracts, force us to sit through hours of anti-union propaganda and engage in illegal union-busting every day. Now they have an unelected, unaccountable union-buster trying to illegally fire tens of thousands of our fellow workers in federal jobs and an administration rolling back the workplace protections. The PRO Act is long overdue, and the American people agree. We urge the elected leaders of both parties to move this critical legislation forward so that all workers have the chance to stand together and build better lives for themselves and their families."

# LOSS OF TWO M.E.B.A. CHIEF ENGINEERS

M.E.B.A. is saddened to report that two longtime Chief Engineers and good union brothers sailed into the sunset in recent days. Maine resident Rob McGuire was only 55 with over 25 years in the Union when he crossed the bar on February 13 following a courageous battle with cancer. A 1992

Maine Maritime graduate, he was well known as a hardworking and venerable Chief Engineer sailing on Maersk Line vessels for over two decades. Rob is survived by his wife Cathy McGuire, daughters Isabella McGuire and Caitlyn Morey and son, Dillan Morey. There will be a private ceremony this spring to scatter his ashes in the ocean, where he spent so much of his life. Donations can be made in his honor to Critterville Wildlife Rehabilitation, 370 Bay Road, Brooklin, ME 04616.

Joe Cadden is another loss that the Union finds hard to bear. He crossed the bar on February 27, 2025 at the age of 74. He was a great union brother whose love of the M.E.B.A. ran in the family. He spent his retirement years volunteering his time and expertise aboard the Liberty ship JOHN W. BROWN in Baltimore, MD keeping history alive by maintaining the WWII vessel in operational condition. Joe was a mentor to many young mariners showing the ropes to young engineers who always remained grateful to his veteran leadership and steady shipboard presence. He was the beloved husband of Maria Cadden for 29 years, devoted father of Michael Cadden and Heather Anne Hax, proud grandfather of Aidan Cadden, brother of Kass Burton, Mary Jo Serinis, Charlotte Cadden, and Maureen Turner. The family will receive friends at Peaceful Alternatives Funeral and Cremation Center, P.A., 2325 York Road, Timonium, Maryland 21093 on Thursday, March 13 from 2-4 and 6-8 PM and on Friday, March 14 from 9-10 AM with a Memorial Service to begin at 10 AM. Interment will be private. In lieu of flowers, please remember Joe with memorial contributions to John W. Brown/Project Liberty Ship at <a href="https://www.ssjohnwbrown.org">www.ssjohnwbrown.org</a>.

#### CONTINUE TO SUPPORT THE M.E.B.A. G&W FUND

The recent West Coast fires and past storms that have displaced families and destroyed homes are all reminders that everyone needs a helping hand from time to time. In the past, M.E.B.A.'s Good & Welfare Fund has been there for M.E.B.A. families following devastating storms, disasters, illness and death. The G&W is also committed to assisting those facing hardships due to newly implemented federal and state policies and regulations, providing support to those who may be adversely impacted by these changes.

The G&W is a wonderful cause. The Internal Revenue Service has ruled that the Fund is exempt from Federal Income tax. Contact a Union hall to see how you can help. We need to continually replenish the fund to allow additional assistance to members and retirees in times of hardship.

In addition, you can support the Fund on the M.E.B.A.'s Member Payment and Update Portal (PUP) that is also used to pay dues and service charges as well as contribute to the Political Action Fund. Visit www.mebaunion.org to access the portal where you can also view and update your M.E.B.A. records, including contact information, credentials, and sea time. When paying dues or service charges, the site enables online payers to choose their preferred Union hall, ensuring that payments are correctly indexed and correlated for record-keeping purposes. You'll find the online Portal to be the most efficient and advantageous manner to remain in good standing and extend a needed monetary infusion to vital Union programs. Please consider making a contribution today to allow the Good & Welfare Fund to lend a hand to M.E.B.A. families now and into the future.

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

Friday, March 7 – **Honolulu**@1100

Monday, April 7 – Boston@1200; Seattle (Fife)@1300.

Tuesday, April 8 – CMES@1430; Charleston@1400; Houston@1315; Oakland@1230.

Wednesday, April 9 - Jacksonville@1300; New Orleans@1315; Online HQ "Town Hall"

Meeting@1300 (No Voting) - Register by emailing mebahq@mebaunion.org

<u>Thursday</u>, April 10 – L.A. (San Pedro)@1230; NY/NJ@1300; Norfolk@1300; Tampa@1300.

Friday, April 11 – Honolulu@1100

## -----FINISHED WITH ENGINES-----



M.E.B.A. does not tolerate assault, or harassment of any kind.

If you see something, say something – The M.E.B.A. Emergency Hotline can be reached at 1-888-519-0018.

The M.E.B.A. is the nation's oldest maritime labor union, established in 1875. M.E.B.A.'s expertise and demonstrated track record of readiness, safety, and loyalty in answering America's call to action in times of both peace and war is unrivaled in the world. M.E.B.A. HQ – Phone: (202) 638-5355; mebahq@mebaunion.org. Website: www.mebaunion.org For publication and related inquiries (and to send photos & hot news tips) contact Marco Cannistraro, M.E.B.A. Special Projects & Communications – marco@mebaunion.org Visit us on Facebook, follow us on Twitter and check us out on Instagram. The Calhoon M.E.B.A. Engineering School can be contacted at (410) 822-9600 or www.mebaschool.org. M.E.B.A. Plans is at (410) 547-9111 or www.mebaplans.org