

Callidus News

ADVOCATES, CONSULTANTS & NOTARY

DUBAI | SINGAPORE | DELHI | MUMBAI | KOLKATA | CHENNAI | COCHIN info@calliduscmc.com

Branches

Dubai

7th Floor, Office #713
Business Avenue Building
Port Saeed Area, P.O. Box # 90992
Dubai, UAE, Tel : +97142956664
Fax : +97142956099

Singapore

20 Maxwell Road
#04-02 D, Maxwell House
Singapore - 069113
Tel: +65 6221 4090

Delhi

D 1st 145 Basement (Rear)
Lajpat Nagar R 1
New Delhi - 110 024
Tel: +91 11 4132 1037

Mumbai

8-B, Dariya Building
2nd Floor, In between
American Dry Fruits & Zara
Dr. D.N.Road, Fort, Mumbai 400 001
Tel: 022-22853371

Chennai

Old No. 123, New No.255,
3rd Floor, Hussiana Manzil,
Ankapanaiken Street,
Parrys, Chennai - 600 001
Tel: +91 98 40 844463

Cochin

Near St.Joseph's High School
Chittoor Road, Cochin - 12, India
Tel : +91 484 4010566
Fax : +91 484 2391895
office@callidusindia.com

STEVEDORES: ROLE, FUNCTIONS AND IMPORTANCE IN THE MARITIME INDUSTRY

The word Stevedoring is derived from the Spanish or Portuguese meaning a man who loads ships and stows cargo. In other terms stevedores are manual labours who are involved in the loading and the unloading of ships including cargo and containers. They are usually contracted with any port, a ship-owner, a stevedoring company and charters depending on who hires them. Stevedores are addressed differently in different countries, in the United Kingdom they are called as "docker" and "longerman" in the United States and in Canada the term "men along the shore" was used for a very long time. Stevedores can be specifically being referred to highly skilled or experienced workers.

ROLE OF A STEVEDORE:

Stevedores are manual labours who are employed at every port or terminal. When the vessel is at sea there is not much to do but as soon a vessel berths itself at a port then the stevedores have to available to complete the loading and unloading to get the ship back to its next journey to avoid delays. The role of stevedoring companies which organise the cargo-handling in port is very important, in this respect as it can make great difference to the profitability of the voyage.

Initially, all the work done by stevedores was done by the dock labour physically

investing their blood and sweat to it. Today there are various hi-tech equipment's which help the stevedores do their work with less energy and time. In many world ports general user terminals where the stevedoring workforce is able to handle whatever cargo the ship turns up with the greatest efficiency. It has been recognised, that it comes from the operation of specialised terminals. Thus large container ships, which do not have their own cargo handling equipment, use specialist container terminals, which are designated to handle their boxes, transshipping cargo in and out of both deep-sea and feeder ships and receiving and delivering containers to road / rail transportation, sorting the



THOUGHT
for the MONTH

*"The time is always right
to do what is right"*

-Martin Luther King Jr.



boxes in enormous stack yards alongside the ships. Special vehicle Terminals with skilled workers load and discharge from car carriers. Some of which can carry 6000 cars at a time, sort them for import and export. While special bulk terminals, with huge adjacent stack yards load or discharge cargoes such as ore or coal, liquid cargoes have their own terminals and skilled staff in their particular trade are working in there terminals.

Simply, a stevedore is one who loads and unloads cargo on to the ships, typically working in a team to ensure that the process remains smooth and efficient. People who do this job are iconic figures in many cultures, thanks to their extreme strength and infamously impolite mouths; historically, they were known for having quite salty language, just like sailors. They have also played a vital role in the labour movement in many parts of the world, and today, stevedores tend to be members of trade unions, ensuring that they receive reasonable remuneration pay and protection from gruelling working hours and dangerous conditions.

By tradition, stevedores are hired by the day, as needed, although some ports maintain a permanent dock staff. In addition to being strong, the individual must also be very familiar with ships, as he or she needs to know the best way to stow a wide variety of cargo items. Historically, this was extremely difficult, thanks to the use of varied packing containers; now that most of the cargo goes by container, this part of the job is a little less challenging, now.

Also the stevedores have to be able to handle dock equipment, such as cranes and forklifts, safely and

efficiently, and they need to be aware of emerging safety issues, including hazardous materials on board the ship and around the docks. They are often encouraged to look out for each other on the docks, where conditions can change rapidly, and they have carried this fellowship with them in the tradition of unionization. Someone who wishes to join the union as a stevedore must generally exhibit the basic necessary skills before he or she will be accepted, and in some ports, a person cannot get work without a union card, making membership critical.

LOADING AND UNLOADING SHIPS

Loading and unloading ships requires know-how of the operation of loading equipment, proper techniques for lifting and stowing cargo, and correct handling of hazardous materials. In addition, workers must be physically strong and be able to follow orders.

In earlier days before the advent of containerization, men who loaded and unloaded ships had to tie down cargoes with rope, with a type of stopper knot called the stevedore knot. The methods of securely tying up parcels of goods is called stevedore lashing or stevedore knotting. While loading a general cargo vessel, they use dunnage, which are pieces of wood (or nowadays sometimes strong inflatable dunnage bags) set down to keep the cargo out of any water that might be present in the hold or due to cargo and ship's sweat.

Presently, the vast majority of non-bulk cargo is transported in intermodal containers. The containers arrive at a port by truck, rail or another ship and are stacked in the port's storage area. When the ships arrive, the

containers that it is offloading are unloaded by a crane. The containers either leave the port by truck or rail or are put in the storage area until they are put on another ship. Once the ship is offloaded, the containers loaded on truck brought to the dock. A crane lifts the containers from the trucks into the ship. As the containers pile up in the ship, the workers secure them to the ship and to each other.

The jobs involved include the crane operators, the workers who connect the containers to the ship and each other, the truck drivers that transport the containers from the dock and storage area, the workers who track the containers in the storage area as they are loaded and unloaded, as well as various supervisors. Those workers at the port who handle and move the containers are likely to be considered as stevedores or longshoremen.

Because they work outdoors in all types of weather, these workers adopt a type of cap that has to be secured by fastening or lashing down fitting closely and comfortably warm, and is easily put away in a pocket. These are a type of beanie (knitted cap often wollen, leather and of silk panels) or watch caps called variously stevedore's cap or stevedore's hat. Before containerization, freight was often handled with a longshoreman's hook, a tool which became emblematic of the profession.

INCIDENTS INVOLVING STEVEDORES

A. A fatal accident occurred at a port in Thailand during discharge of empty containers. The vessel's crane was being used together with a manually operated spreader. Two

stevedores were positioned on top of the container to lock/unlock the container spreader when lifting, and then again when the container had been discharged. While the stevedores were standing on the container 6 to 7 meters above the wharf, the runner broke, and the container fell on to the wharf seriously injuring the stevedores, one of them has subsequently died.

- B. A vessel was under repair in a US dockyard. A shipyard worker was standing on a gangway that was being lifted on to the vessel, when the crane wire broke. The gangway and yard worker fell down to the ground. The yard worker was seriously injured and died several months later without regaining consciousness.
- C. At a port in Germany, two stevedores were positioned in a basket to be lifted on board the vessel. The hooks attached to the basket loosened and the basket fell down on to the wharf. One of the stevedores was killed and the other was seriously injured.

CONCLUSION

Simply, a stevedore is one who loads and unloads cargo on to the ships, typically working in a team to ensure that the process remains smooth and efficient. They have also played a vital role in the labour movement in many parts of the world, and today, stevedores tend to be members of trade unions, ensuring that they receive reasonable remuneration pay and protection from gruelling working hours and dangerous conditions. Stevedores are skilled experts, who play an increasingly important role and on which we depend for efficient shipping.



MARITIME INDUSTRY IN THE DECADE OF DIGITAL TRANSFORMATION:

CHALLENGES AND OPPORTUNITIES SINGAPORE'S JOURNEY TOWARDS DIGITALIZATION 2018

The rapidly developing digital technologies are embarking on a significant transformation of the Shipping Industry across the globe. The implementation of Digitalization, the innovative cyber security systems and technological solutions, autonomous mobility and artificial intelligence has helped in transforming the developments in the shipping industry. With the inputs of accurate, updated and secure data insights, delivered on time, the achievement of a more strategic and cost effective productivity along with maximum performance is possible. The ability to centralize the decentralized

digital transformation on a digital platform creates a great potential for organizing markets efficiently. The exchange data and digital platforms enables the companies to have a control of and also organize the logistic chains delivered on time, by reducing the waiting period and predicting the arriving time of the vessels accurately, thus opening up the possibility of unmanned ships in future. The world's first crewless cargo ship will be delivered in 2018 under the name and fame of Yara Birkeland and the operations is assumed to commence in 2020. These Unmanned Ships are also referred to as "Unmanned Sea Surface Crafts" and these vessels

are either remote controlled by shore-based controllers/officers, or controlled completely by complex algorithms with no human existence or a combination of the above mentioned two. The challenges that will be faced by these are guidelines and legal regulations to be followed in case of any violations, or maritime incidents involving any damage to the vessel, the cargo, human life, environment and property. The existing legal framework is that of the UNCLOS82 regulations by the International Maritime Organization. The present legal system and maritime regulations are designed for the manned vessels so this will make it a difficult

task for the legislators and jurists to decide upon the best and effective legal resolution in case of a violation or dispute. Therefore many countries are already considering amendments or integrations in the existing regulations and also drafting of fresh shipping guidelines and laws.

Digitalization has brought in many challenges as well as opportunities. According to the IMO over 90% of the world's trade is carried at by the sea as this is the most cost-effective way to move goods and raw materials across the world. One of the important factors is that it reduces cost and increases efficiency. The data inputs and interconnected technologies are emerging to create a revolution in the maritime industry. Systems like Radio Frequency Identification System (RFID) is used to track the moments of the vehicles cargo and people, and ensures timely delivery of cargo. GPS navigation system, automated electronic data exchange from ship to ship and ship to shore increases the efficiency, safety and accuracy in navigation and communications. There are many challenges to overcome, and one of them is the marine liability. The Question of liability is considered to be more complex as the vessel travels through different national waters and different jurisdictions. The insurance industry will also face similar challenges in resolving disputes and also difficult to analyze the resources to risk management as well as to understand loss occurred. Thus, it becomes a necessity to ensure maximum data security for preventing a risk or loss. Cyber attacks on unmanned ships also can be problematic as container vessels reliant on digital navigation systems could be potentially manipulated and a small failure in a system can result

in dangerous consequences in an interconnected digital environment. The networking of vessels and ports is an enormous opportunity for shipping. This also helps in reducing the ongoing over capacity paired with a relatively soft global demand, and the existing pressure on the rates and profit margins of the industry. Innovative players are bypassing the traditional shippers with new and cost-efficient digital business platforms that deliver more benefits to customers.

In 2018 the Maritime Industry is being reinvented itself, ushering in containerization, larger vessels, and electronic data exchange. The industry is also poised to make a drastic progress and growth in maritime financial recovery overcoming some of the constraints like fuel costs, entry of larger vessels in the market and also the new environmental regulations and standards. Progressive ports are also embracing the digital breakthrough. Digitalization has helped the transformation of ports and terminals. Smart technologies have replaced the old systems that support the basic infrastructure and tools that handle cargo, manage traffic, customs dealings; safety assurance, and monitoring energy use, thus reducing wastage. Some ports worldwide have tied multiple individual systems into a single interconnected port-wide platform.

On 16th April 2018 the United Nations Maritime Organization has approved a strategy to eliminate carbon dioxide emissions altogether by 2010. The Maritime Singapore Green Initiative also have made efforts to reduce the environmental impact of shipping and shipping related activities to promote clean and green Shipping in Singapore.

In 2011 the Maritime and Port Authority of Singapore had decided to invest up to S\$100 million over 5 years in Maritime Singapore Green Initiative, followed by the support from the maritime industry this was enhanced and extended till 31st Dec 2019. This initiative also makes Singapore's efforts to a responsible flag and port state to clean and green shipping thus making it the most preferred Shipping hub globally. The Singapore Budget announced on March 2018 that it will top up its Maritime Cluster Fund by S \$100 millions to help more transition to Digital and Automated maritime future. Senior Minister of Transport, Dr Lam Pin Min said that the latest amendments will lift the total investments in the MCF to \$285 million. He also added that the introduction of the Maritime Transformation Map (MTP) will be rolled out over a period of few months and will co-fund the same with matching investments from industry partners, for the development of technology with high potential for industry applications. The Maritime and Port Authority of Singapore also have signed five Memorandums of Understandings (MOU) and two Agreements with local and international partners at the recently held Singapore Maritime Technology Conference (SMTC). These MOU's are also aligned with the Sea Transport and Transformation Map that are designed to strengthen Singapore's connectivity and help Singapore to take its Maritime Industry to be at par with the latest developments and adaptations of areas such as automation, data analytics, intelligent systems and cyber security. Thus Singapore has emphasized the importance of digital technology and innovations and is getting ready for a journey towards a better future for its Maritime Industry.

HOT NEWS

PRESIDENT TRUMP'S TARIFFS WILL HURT AMERICA MORE THAN CHINA

Let's stop pretending. An import tariff is nothing but a tax on consumers and businesses. Not in the exporting country, but the importing one. So the 10% tariff on \$200bn of Chinese imports that President Trump has just imposed is in reality a new tax on Americans. And it will hurt America much more than China.

It is at present unclear exactly how this tax will bite, but we can expect it to have three broad effects on the U.S. economy.

1. **The tax will raise input prices for American businesses,** increasing their operational costs and putting pressure on profit

margins. This is likely to feed through into weaker wage and employment growth, leading to poorer retail sales and declining economic growth. The Trump boom is already fading: this tax seems likely to hasten its end.

2. **The tax will raise headline CPI**

inflation. How much inflation

will rise depends on the extent to which producers are able and willing to absorb higher costs rather than passing them on to customers. The Fed might respond to rising cost-push inflation by increasing the pace of interest rate rises. This would dampen consumer demand at a time when it was already under pressure because of the wage and employment effects of the tax. Fed interest rate policy has previously accelerated consumer demand slumps, most recently in 2006-7, when the Fed continued to raise interest rates despite rising unemployment, falling house prices and weakening consumer demand. I suppose we might hope that the Fed would act more responsibly this time, but the "mood music" from the Fed these days is increasingly hawkish. I am therefore doubtful that this time would be different.

3. The tax will strengthen the U.S. dollar's exchange rate.

At the time of writing, the U.S. dollar was already up 10% versus the (offshore) Chinese renminbi. If China allows the onshore renminbi to depreciate, this would largely negate the impact of the tax on Chinese exporters while making life more difficult for U.S. exporters

Of course, although the tax falls primarily on American consumers and

businesses, there will be a knock-on effect to Chinese producers through reduced exports. But in their snap response to the tariff announcement, CLSA (via FT Alphaville) estimated that the impact on China's exporters might amount to little more than a flea bite:

Based on our previous scenario analysis of 10% tariffs on US\$200bn Chinese imports alongside 25% tariffs on US\$50bn Chinese goods, we expect that the negative impact on China's export growth may range from -3.4% to -2.0%, while on nominal GDP growth it is -0.5% to -0.3%.

That's export **growth**, not total exports. So if China's exports would have grown by 10% in the next year, they will now grow at somewhere between 9.6% and 9.8%. In trade estimates, that's little more than a rounding error.

This tax will rise to 25% in January. President Trump has also signalled that he wants to impose a 10% tax on an additional \$200bn of China's exports to the U.S. On trade tariffs, at least, he has established an impressive record of doing what he says, so I would take this threat seriously. He has also indicated an intention to impose tariffs on automobile-related imports from Canada and the EU. It is hard to quantify what the impact on American businesses and consumers of all these new taxes would be, but the Tax

Foundation has made a credible attempt:

If the Trump administration enacts additional tariffs on automobiles and parts and additional Chinese tariffs, the Tax Foundation model estimates that GDP would fall by an additional 0.44 percent (\$111.3 billion), resulting in 0.29 percent lower wages and 345,170 fewer full-time equivalent jobs.

This is **without retaliation**. President Trump's tariffs mainly hurt his own people.

China has already said it will retaliate to the new tariffs, as it did to the previous \$50bn of tariffs. Other countries have also retaliated to tariffs. Retaliation primarily hurts their own producers and consumers, of course. But it also has a negative effect on American output and jobs through reduced exports, though considerably smaller than the direct effect of President Trump's tariffs. The Tax Foundation estimates that if other countries retaliated, U.S. GDP would fall another 0.09 percent (\$23.5 billion) and cost an additional 72,864 full-time equivalent jobs.

This tells us that if other countries respond in kind to President Trump's tariffs, output in all countries will fall. Trade will shrink and global GDP will be lower.

– Frances Coppola, Forbes.com



FINIS
FUNCTIONALLY INTEGRATED SOLUTION

*A fully integrated software,
which can revolutionise your operations*

Modules include

- Finance and Fixed Assets
- WHIMS (Warehouse Inventory Management)
- HRMS
- Payroll
- Freight Forwarding
- General Module
- WEWMS (Web enabled warehouse management system)

General features of the software include

- Facility to manage Multi company/ division or branch activities
- Portal enabled system
- Easy online help available with each module.
- Customisable theme settings
- Customizable reports
- Electronic authorization and document processing
- User/ Group level security features
- Transaction based audit trial
- Data transfer facility (EDI)
- Customizable parameters

www.fins.in

Address: Near St.Joseph's High School, Chittoor Road, Cochin- 12, India, T: +91 484 4010566, F: +91 484 2391895, office@callidusindia.com

Disclaimer The materials contained in our News Letter and our accompanying e-mail have been prepared solely for information purpose. Neither Callidus nor any of its affiliates make any warranties in relation to the use or reproduction of its contents. The information contained in the news letter is solely for academic and discourse purposes, meant for private circulation; this e-mail message and its attachments may be confidential, subject to legal privilege, or otherwise protected from disclosure, and is intended solely for the use of the intended recipient(s). If you have received this communication in error, please notify the sender immediately and delete all copies in your possession.