

Volume LXXVII No. 1 et al Courter 18

SAN FRANCISCO, CALIFORNIA

Friday, January 24, 2014

# **STCW Medical Certificates**

n December 24, the United States Coast Guard published the rules related to the implementation of the STCW 2010 Manila Amendments. The Manila Amendments contain many provisions that will affect seagoing mariners and most recently mariners engaged in the international trades have been forced to comply with the security endorsement known as Vessel Personnel with Designated Security Duties or VPDSD. Next up is the STCW medical certificate.

The STCW medical certificate, (also required by the entry into force last August of the Maritime Labor Convention), does not enter into full force until the complete implementation of the 2010 Manila Amendments on January 1, 2017. However, in its Final Rule implementing the 2010 Amendments, the Coast Guard said that, "since it will eventually be required under STCW, and since it is required now under the MLC, the Coast Guard is pressing forward to issue medical certificates as quickly as possible..." mainly to avoid detention by port state control on international voyages. This means that the medical certificate is a present requirement for sailors in the international trades despite the technical effective date of January 1, 2017.

The medical certificate is a required document for sailors, then, to be carried on board ship with their Merchant Mariner Credentials. It must be signed by the mariner and is designed to be folded and inserted into the same plastic pocket within the MMC presently occupied by the TWIC (Transportation Workers Identification Credential). But the STCW medical certificate is a separate stand-alone document and expires in two years. Because the Coast Guard's review of existing credential eligibility for the medical certificate took place during 2013, and the issuance that began later, in January of 2014, there may be individual expirations that are less than two years depending on when the review took place. (There is a provision where the mariner may continue to sail if the medical certificate expires during a voyage provided the period after expiration is less than 90 days.)

Beginning on January 2, 2014, the Coast Guard started issuing medical certificates to current holders of STCW endorsements. This means that there is no new physical, no new fee, and no new application required. Mariners with STCW endorsements will simply receive their certificates in the mail (provided they have a good mailing address on file with the Coast Guard). Beginning on January 24, 2014, mariners will be issued medical certificates

as part of their regular MMC renewal package. Entry-level

# Legislative victory for U.S. **Merchant Marine: Maritime Security Program fully funded**

resident Obama signed an Program's fleet of 60 U.S.-flagged omnibus appropriations bill, on January 17, that covers the balance of fiscal year 2014 and includes full funding for the Maritime Security Program (MSP), as well as funding for other programs crucial to the U.S. maritime industry.

The Senate voted to approve the bill on January 16, following passage of the legislation by the House of Representatives on January 15. In addition to appropriations, the bill includes provisions geared to bolster the U.S.-flag fleet. The omnibus appropriations legislation replaces the short-term continuing resolution that funded the federal government through January 15, and was extended while the new spending legislation moved through Congress.

"This legislation is a victory for the U.S. Merchant Marine and it serves as a powerful acknowledgment of the importance of the U.S.-flag fleet to our nation's commerce and U.S. defense sealift capabilities," said SUP President Gunnar Lundeberg. "We have been facing extremely uncertain circumstances on multiple fronts. While more work remains to be done, this bill is a big step forward for the U.S. maritime industry."

The maritime funding levels for this fiscal year provided in the bill were made possible by the strong support of congressional appropriations leaders Senator Barbara Mikulski (D-Maryland) and Congressman Hal Rogers (R-Kentucky), and that of many senators and representatives on both side of the aisle. Chairman of the House Transportation Appropriations Subcommittee Tom Latham (R-Iowa) held fast to his long standing support of the MSP during deliberations on this legislation. Latham has announced that he will retire at the end of his term, and the U.S. maritime industry will miss his support. The legislation provides \$186 million for the Maritime Security

ships, the full funding level authorized by law for the program in fiscal year 2014. SUP-contracted APL Marine Service, Ltd. operates nine MSP vessels: APL Agate, APL China, APL Coral, APL Cyprine, APL Korea, APL Pearl, APL Philippines, APL Singapore, and APL Thailand.

The bill provides \$1.466 billion for Food for Peace Title II, an increase over the \$1.435 billion enacted for fiscal year **2013.** The legislation keeps the **Food for Peace Title II funding** under the Department of Agriculture, avoiding both a shift of the money to other government agencies and the radical restructuring sought by the **Obama Administration and its** congressional allies. However, the fiscal year 2014 legislation allocates \$35 million of the total appropriation to agencies and purposes other than commodities supplied in connection with the Food for Peace Act.

Under current cargo preference requirements, 50% of U.S. food-aid shipments must be carried by U.S.-flagged vessels. In that regard, the omnibus appropriations bill, within 90 days of its enactment, requires the Maritime Administration to submit a report detailing the current and future impacts on the U.S. Merchant Marine of the reduction in the U.S.-flag share of U.S. food-aid shipments from 75% to 50% made by surface transportation legislation (MAP-21) enacted in 2012, as well as the impact of the winding down of the wars in Iraq and Afghanistan. Additionally, the bill requires the Secretary of Transportation and the Maritime Administrator, working in collaboration with the Department of Defense, to "develop a national sealift strategy that ensures the long-term viability of the U.S. merchant marine."

as the West Coast Sailors went to press, the precise allocation for the Ready Reserve Force fleet could not be ascertained. This information will be reported when it becomes available.

The omnibus appropriations bill provides \$38.5 million for the Maritime Administration's Title XI shipbuilding loan guarantee program, \$35 million of which is designated for new loan guarantees. The leadership of Congressman Duncan Hunter (R-California) was instrumental in the inclusion of this appropriation in the omnibus bill. Title XI has long depended upon congressional support for funding beyond administrative expenses, and the funding included in the fiscal year 2014 bill will provide a significant boost for new projects at U.S. shipyards. Title XI is not a subsidy program, and serves to ease access to private sector financing for the commercial construction of merchant vessels in the U.S.

The legislation also seeks to ensure the maximum utilization of Jones Act qualified vessels in the transportation of oil drawn from the U.S. Strategic Petroleum Reserve. Senator Mary Landrieu (D-Louisiana) spearheaded the effort to ensure this issue was addressed in the omnibus bill. Specifically, the legislation prohibits the expenditure of any funds to approve a waiver of the Jones Act for the transportation of crude oil distributed from the SPR until "the secretary of homeland security, after consultation with the secretaries of the Departments of Energy and Transportation and representatives from the United States flag maritime industry, takes adequate measures to ensure the use of United States flag vessels." The bill also requires that notification of requests for Jones Act waivers be provided to the Committees on Appropriations and on Commerce, Science and Transportation in the Senate, and to the Committees on Appropriations and on Transportation and Infrastructure in the House of Representatives.

80)

Periodicals' postage paid at San Francisco, CA (USPS 675-



mariners are not required to hold medical certificates.

Eventually the Coast Guard will develop a Designated Medical Examiner Program that will more formally implement the standards within the maritime medical community. If you are a current holder of a valid STCW endorsement and you do not receive your medical certificate by March 31, 2014 contact the NMC at 1-888-I-ASKN-MC. There's more to come but that's enough for now. Joseph Conrad famously rejected anything friendly about the sea, describing it at best to be "the accomplice of human restlessness." The same may be said of maritime regulation.

The legislation includes an appropriation for the National Defense Sealift Fund; however,

#### ESU NEWS: PAGE 7

#### **CHEVRON & PATRIOT WAGE RATES: PAGE 9**

# **SUP Honor Roll**

Voluntary contributions from the membership to the following funds:

## **Organization**/ **General Fund**

Abe Acosta 20.00
Corey Burton 200.00
Scott Carson 50.00
Jonathan Goodwin 25.00
Marshall Griggs 50.00
Geoffrey Knight 25.00
Nicholas Marinovich 100.00
Steve Messenger 100.00
Vince O'Halloren 100.00

## West Coast **Sailors**

Wilson Abanto20.00
Jamie Acosta
Abe Acosta
Corey Burton
Carmelo Carbone25.00
Bertha Chung25.00
Jonah Cross
Doug Crute
David Green
Fred Gregorio100.00
Ruben Guerra
John Hamann25.00
Anne Jakobesen
Melvin Kessler
Gunnar Larsen
Martin Machado10.00
Joseph Meehan
Steve Messenger50.00
John Perez
John Reed25.00
Dmitri Seleznev25.00
Bruce Smith25.00
John Thompson25.00
Gilbert Wilson25.00
Bud Yost25.00
Gerald Zinn25.00



Wilson Abanto40.00
Jamie Acosta50.00
Abe Acosta
Mike Arceo
Emo Aulelava
Rogelio Berioso
Archie Bickford
Quentin Brown
Cory Burton
James Buster
Milton Cabellero10.00
Scott Carson
David Connolly
Kevin Conroy, (correction) .100.00
Jennifer Corner
Jonah Cross
Michael Dirksen50.00
Mike ElMobdy20.00
David Fadoul
David Garcia
Marshall Griggs50.00
Mark Hurley
Isnin Idris
Noel Itsumaru
Knud Jensen
Vern Johansen in memory
of Henry Johansen
Monte Kalama in memory
of Henry Kalama
Melvin Kessler
James Kolm
James Kolm
James Kolm
James Kolm .20.00   Thomas Koppel .20.00   David Larsen .100.00   Gunnar Lundeberg .50.00
James Kolm .20.00   Thomas Koppel .20.00   David Larsen .100.00   Gunnar Lundeberg .50.00   Martin Machado .10.00
James Kolm .20.00   Thomas Koppel .20.00   David Larsen .100.00   Gunnar Lundeberg .50.00   Martin Machado .10.00   Joe Mantanona .10.00
James Kolm
James Kolm20.00Thomas Koppel20.00David Larsen100.00Gunnar Lundeberg50.00Martin Machado10.00Joe Mantanona10.00David Mercer10.00Steve Messenger50.00
James Kolm

## **DUES-PAYING PENSIONERS**

### **Political Fund**



for a chance to say how they would develop the Suez Canal area, officials said this month, aiming to attract more ships and revenue to shore up the country's finances.

The Suez Canal is the fastest shipping route between Europe and Asia and brings in around \$5 billion a year, a source of hard currency whose importance has risen since a popular uprising in 2011 scared off tourists and foreign investors.

"We must move dynamically ... Investors must find service here at an international level because if they do not find it here they will go some place else," Mohab Memish, head of the Suez Canal Authority, said at a press conference in Ismailiya.

Egypt wants to turn 29,000 square miles around the canal into an international industrial and logistics hub, reviving economic development after more than three years of economic and political turmoil.

The approved consortia will be able to buy bidding documents from January 8-23. A winning consortium will be selected in the next three months and will have a further six months to come up with a master plan, Memish said. Egypt's Interim Prime Minister Hazem el-Beblawi said the master plan will be presented to the cabinet within nine months.

In November, Egypt will host an international conference for investors and in early 2015, infrastructure work on the project will begin, Memish said.

Gulf allies Saudi Arabia, the United

Egypt has invited 14 consortia to bid protests, overthrew the country's first elected leader Mohamed Morsi in July. But Egypt is in dire need of longer-term development to generate revenues and tackle youth unemployment, estimated at over 20%.

> The Suez Canal project was a main feature in the campaigns of the most prominent candidates in the 2012 election. It was adopted by the Morsi administration but opposition groups accused him of attempting to seize and sell public land to foreign countries.

#### SUP Meetings

These are the dates for the regularly scheduled SUP meetings in 2014:

	$\mathcal{O}$	
	Hdqs.	Branch
February	10	Tues. 18
March	10	17
April	14	21
May	12	19
June	9	16
July	14	21
August	11	18
September	8	15
October	Tues. 14	20
November	10	17
December	8	15



Published monthly by the Sailors Union of the Pacific (an affiliate of the Seafarers International Union of North America, AFL-CIO), Headquarters, 450 Harrison St., San Francis co, CA 94105. Phone: 415-777-3400. FAX: 415-777-5088. Dispatcher: 415-777-3616. Website: www.sailors.org. Periodicals' postage paid at San Francisco. (USPS 675-180) Printed by Commerce Printing Co., a Union shop. POSTMASTER: Send address changes to West Coast Sailors, 450 Harrison St., San Francisco, CA 94105. Gunnar Lundeberg, **President/Secretary-Treasurer** Teresa Anibale, Editor **BRANCH OFFICES** Seattle, WA 98106 (206) 467-7944 4269 22nd Ave. W. FAX: (206) 467-8119 Wilmington, CA 90744 533 N. Marine Ave. (310) 835-6617 FAX: (310) 835-9367 Honolulu, HI 96813 707 Alakea St., Rm. 101 (808) 533-2777 FAX: (808) 533-2778 WELFARE OFFICE (415) 778-5490 PENSION PLAN OFFICE (415) 764-4987

Gordon Abbott	Book #3785	Duane Nash	Book #2437
<b>Robert Copeland</b>	Book #4763	John Perez	Book #3810
Donald Cushing	Book #4777	<b>Rich Reed</b>	Book #3181
<b>Romaine Dudley</b>	Book #2593	Alex Romo	Book #3193
Diane Ferrari	Book #2251	Francisco Salvatierra	Book #7498
Knud Jensen	Book #3940	James Savage	Book #7488
Kaj E. Kristensen	Book #3120	<b>Ralph Senter</b>	Book #7323
Hannu Kurppa	Book #3162	<b>David Shands</b>	Book #7483
James K. Larsen	Book #4055	Arthur Thanash	Book #3249

# SUPPORT THE SUP POLITICAL FUND

Arab Emirates and Kuwait came to Egypt's aid by pledging a combined \$12 billion after the army, prompted by mass

## **Final Departures**

Francis Kim, Book No. 3083. Born in Hawai'i in 1926. Joined SUP in 1953. Died in San Francisco, California, December 25, 2013. (Pensioner)

James Meador, Book No. 6507. Born in Arizona in 1946. Joined SUP in 1988. Died in Hayward, California, December 30, 2013. (Pensioner)

William Jolly, Book No. 4166. Born in Nevada in 1928. Joined SUP in 1944. Died in Concord, California, January 8, 2014. (Pensioner)

# Our flag restored to the oceans

The United States is dependent on foreign-flag ships and foreign crews for almost all of our international trade. Our statutory policy is to have a strong Merchant Marine—comprising of suitable ships capable of carrying a substantial portion of our foreign trade and supplemented by efficient facilities for building and repairing ships—but we do not have such a Merchant Marine. There are long-standing programs that have been authorized by Congress to finance and subsidize the construction of vessels in U.S. shipyards, and to support the operation in foreign trade of U.S.-flag vessels. However, over the past forty years, the appropriations for maritime support programs have been meager and inadequate for the stated goals.

In some ways, it may be a daunting time for U.S.-flag vessels to compete in international trade. Container shipping is overtonnaged and ships are laid up, sloweddown, and orders for new ships held up and at the same time cargo movements have "matured." Long gone are the days when containership pioneer Malcom McLean would "find" cargo.

On the other hand, this may be the time to enter this market which is surely here to stay at some level. Many containerships are laid up and can be acquired at reasonable cost. More can be built in the United States with the latest features, including using liquid natural gas (LNG) as fuel. In fact, due to the abundance and low cost of LNG in the United States. Domestic shipyards are already leading the way to convert ships from fuel oil to LNG.

An initial project to reestablish America's place in international trade could include a fleet of: 15 containerships (10 acquired/5 new buildings), 5 LNG new buildings, 10 barges. If implemented, this project could result in new jobs that may be estimated to be upwards of 8,000 to 10,000 at sea, ashore, and in shipyards and cargo terminals. Containerships would be made available to Atlantic and Pacific intercontinental services and barges made available for feeder services as appropriate. Additional ships would be available for negotiation of long-term contracts for moving military support cargo to Europe, Japan and Korea.

The cost of this project will depend on the number of ships acquired/constructed and will be an order of magnitude of \$1,000,000,000 or more. How can this project be funded, particularly without expenditure of public funds? Simple. There is a huge amount of U.S. funds held offshore because of our tax laws, which allow foreign profits of domestic companies to remain untaxed so long as the profits are held and reinvested offshore. Use of a tax deferment program already provided by the Congress for the maritime industry would only need a slight amendment to permit application of the tax deferral to the repatriated funds.

At present, the Capital Construction Fund (CCF) program administered by the Department of Transportation allows a deferral of current income tax on funds deposited into a designated account. Funds may be deposited into a CCF account only if they result from the operation, sale, loss or depreciation of designated vessels. Withdrawals from the CCF account may only be used to acquire, build or reconstruct approved U.S.built ships. The tax basis of the new asset is reduced by the amount of the withdrawal, so that the owner takes less depreciation and consequently pays additional taxes over the life of the asset—unless the owner acquires or builds/rebuilds additional vessels, so that the tax deferral is continued indefinitely.

The tax deferment principle of the CCF should be enhanced and expanded to make this program work better. The CCF statute can be amended quite easily to allow deposit of funds from any source—not just shipping related funds. The CCF statute can also be tweaked to improve its utility for capital formation, by allowing CCF funds to be transferred to entities ready for immediate investment in approved programs.

If foreign profits are funneled through the CCF, instead of being parked overseas, the industrial base and military capability of this country would be greatly enhanced—as is the purpose of the CCF in the first place. Additional CCF use would foster new U.S. ships and terminals using the latest technology and environmental features, e.g., LNG fuel. The additional crew member jobs on these new ships would be reserved to U.S. citizens (as provided for by existing statute). Finally, this project is called for because it would restore our flag to the oceans of the world.

This article was written by Gerald Malia, Esq. and Murray A. Bloom, Esq. Malia is a long-time maritime attorney. Bloom retired from the Maritime Administration as Assistant Chief Counsel for Maritime Programs. Together, both have taught Maritime Law at Columbus School of Law and Catholic University of America.





SUP members Diomedes Rebosura, Tom Koppel, Joel Schor and Sam Scott pause from work in the APL Singapore in Oakland, January 17. Photo: Dave Connolly

### Pasha Hawaii ceases interisland shipping

Pasha Hawaii Transport Lines has ended its interisland cargo service after nearly three years of operation.

The state Public Utilities Commission issued an interim order in 2010 that authorized Pasha to operate between Honolulu, Kahului, Hilo, Nawiliwilli, Barbers Point and Pearl Harbor through December 31, 2013. But Pasha General Manager Reggie Maldonado said that the company will not refile again.

Pasha ended Young Brothers Ltd.'s state-regulated monopoly on the interisland cargo trade when it began biweekly service in February 2011.

Young Brothers tried to stave off Pasha's entry into the market, protesting to the PUC that Pasha would "cherry pick" the most lucrative routes and could harm local farmers and cattle ranchers who receive discounts subsidized by higher rates on other goods.

Pasha, which entered the Hawai'i marker with the 579-foot *MV Jean Anne* in 2005, will continue transporting cargo between Honolulu and San Diego.

# Matson awarded \$27.3 million military contract for shipping services

Matson Navigation has received a \$27.3 million military contract for domestic ocean and intermodal distribution services, according to the Department of Defense's United States Transportation Command (USTRANSCOM).

Matson was one of three companies that were awarded shipping contracts, on December 20, which have a combined worth of \$50 million. The other companies are Totem Ocean Trailer Express Inc. and Sea Star Lines.

The contacts funds will expire at the end of the current fiscal year and work should be completed by November, USTRANSCOM said.

# U.S. Coast Guard issues notice regarding use of marijuana

The U.S. Coast Guard is providing this notice to ensure that mariners, marine employers, Medical Reviewing Officers and the public are knowledgeable of the continuing prohibition of marijuana use by those serving in safety-sensitive positions in the maritime transportation industry.

It is important to note that marijuana remains a drug listed in Schedule I of the

### French mariners end strike

French ferry operators Societe National Maritime Corse Mediterranee (SNCM) and Compagnie Meridionale de Navigation have resumed sailings between the French mainland and Corsica after seafarers voted to end their nine-day strike. Sailings resumed on January 9, after the French government promised to safeguard the future of SNCM at a meeting with strike leaders in Paris.

Union leaders feared SNCM was heading into bankruptcy following indications that one of its main shareholders, utilities group Veolia, was no longer ready to support its fleet renewal plans following European Commission rulings that it should repay \$598 million of public aid received during the past 10 years.

At his meeting with strike leaders, however, Transport Minister Frederic Cuvillier promised government aid to enable the company to order four new vessels, the initial two before June 30. Cuvillier has ordered state investment companies Caisse des Depots, which has a 50/50 stake with Veolia Transport in SNCM majority shareholder Transdev, and Banque Publique d'Investissement to come up with proposals to finance the orders within two months.

The minister has also promised legislation to address claims by seafarers' Unions that SNCM is suffering unfair competition from rival operator Corsica Ferries, which operates vessels under the Italian flag and with multinational crews. Cuvillier promised legislation which he said would be "unique in Europe" to ensure all operators of ferry services between the two French ports were subject to the same rules.

Controlled Substances Act. It remains unacceptable for any safety-sensitive employee serving in the maritime industry and subject to drug testing under the Department of Transportation's drug testing regulations to use marijuana. The Department of Transportation's Drug and Alcohol Testing Regulation – 49 CFR Part 40 – does not authorize the use of Schedule I drugs, including marijuana, for any reason.

As such, Medical Review Officers will not verify a drug test as negative based upon learning that the employee used "recreational marijuana" or "medicinal marijuana". Furthermore, mariners/employees that hold a Merchant Mariner Credential and fail a drug test due to recreational or medicinal marijuana usage, will be subject to administrative action against their credential in accordance with federal regulations.

The Coast Guard's regulation regarding recreational or medicinal drug usage is firmly aligned with the Department of Transportation's regulation on the use of Schedule I drugs. . For more information regarding DOT's notices for "recreational marijuana" or "medicinal marijuana" please follow these links: http://www.dot.gov/ odapc/dot-recreational-marijuana-notice, http://www.dot.gov/odapc/medical-marijuana-notice.

The intent of the U.S. Coast Guard is to assure the maritime community and the traveling public that our transportation system is the safest it can possibly be. This Marine Safety Information Bulletin is published to provide the highest visibility and notice of our effort in support of the Drug and Alcohol Prevention Program.

For more information, please contact Patrick Mannion, Drug and Alcohol Program Manager, Commandant (CG-INV), U.S. Coast Guard, at (202) 372-1033.

## Vietnam sentences shipping bosses to death for embezzlement

A court in Vietnam sentenced two former executives of a state-owned shipping firm to death on December 16, for embezzlement, an unusually harsh sentence in a communist country where prosecutions of top officials are rare. Duong Chi Dung and Mai Van Phuc, respectively former Chairman and Chief Executive of Vinalines, were found guilty of siphoning off \$950,000 (20 billion dong) and mismanaging state funds to the detriment of the country's economy.

In a case that caused losses of \$17.3 million, eight other officials received sentences of between four and 22 years for embezzlement and "intentionally violating state rules on economic management with serious consequences," according to the verdict read in court.

The verdict comes as Vietnam's government seeks to restructure its hundreds of state-owned enterprises (SOEs) in an effort to revive an economy grappling with high levels of bad debt, much of which rests with its own companies.

As part of a plan to create state-owned national champions in the mold of South Korea's "Chaebol," Vietnam wanted to develop Vinalines into one of the world's top shipping companies. But like many SOEs, which enjoyed almost unfettered access to credit, Vinalines, or Vietnam National Shipping Lines, expanded disastrously into non-core businesses like real estate and stock broking. It was hit hard by the global economy slowdown from 2008 and ran up debts of \$2 billion by the end of 2011, the government said in a report last year.

The chairman of Vinashin, a debt-ridden, state-owned shipbuilder, was last year jailed for 20 years for violating state regulations on economic management. Vinashin's debts were more than \$4 billion.

The Southeast Asian country's economy grew 5.25% in 2012, the slowest pace in 13 years and well below what economists see as its potential.

"Corruption and conflict of interest issues are embedded in the fabric of the SOE sector. Without addressing fundamental governance issues, progress will remain challenging," said Steven Winkelman, Chairman of American Chamber of Commerce in Vietnam.

# Ex-BP engineer found guilty in *Deepwater Horizon* case

An engineer charged with obstructing justice in connection with the 2010 BP well blowout in the Gulf of Mexico was found guilty of one count by a federal jury in New Orleans last month.

Former BP Plc employee Kurt Mix, 52, had faced two counts of obstruction for deleting hundreds of messages he exchanged with his supervisor and a contractor in the weeks after the spill, but was convicted of only one. Mix was part of a team that scrambled to plug the Macondo well and figure out how much oil was leaking in what became the worst offshore environmental disaster in U.S. history.

During the two-week trial, government lawyers painted Mix as a loyal member of the drilling team who tried to shield BP from blame by deleting text and voice messages that may have proven BP lied about how much oil was escaping into the Gulf. Defense attorneys, who do not deny Mix deleted messages, insisted he had no ill intent and that the deletions were largely accidental. Mix, of Katy, Texas, did not take the stand in his own defense. He faces up to 20 years in prison and a fine up to \$250,000.

Prosecutor Leo Tsao told the jurors that Mix had been warned repeatedly not to delete any information from his company iPhone and had notified him that he might be subpoenaed before a grand jury investigating BP's response to the spill. By ignoring those warnings Mix displayed "corrupt intent" Tsao said. "He deleted the messages even though he had been told ... that if he did so, he could be criminally prosecuted," Tsao told the jury.

Mix's lawyer, Michael McGovern, countered that his client was an innocent man who "told the truth to U.S. government scientists all throughout the response effort." McGovern said it was unreasonable to believe Mix "a drilling engineer with no law enforcement training whatsoever was specifically thinking about the possibility of a grand jury when he deleted messages from his iPhone."

Mix is one of four current or former BP employees charged with crimes connected with the well incident. His is the first case to be tried.

The Macondo well explosion on April 20, 2010, killed 11 workers on the *Deepwater Horizon* drilling rig and triggered an 87-day oil spill in which millions of gallons of

# U.S. commits additional \$32.5 million for Southeast Asia maritime security

Secretary of State John Kerry announced last month that the United States has made a commitment of \$32.5 million in new regional and bilateral assistance to advance maritime capacity building in Southeast Asia, bringing the total amount of support for the next two years to over \$156 million.

The United States intends to provide up to \$18 million in new assistance to Vietnam to enhance the capacity of coastal patrol units to deploy rapidly for search and rescue, disaster response, and other activities, including through provision of five fast patrol vessels in 2014 to the Vietnamese Coast Guard.

This assistance was made in response to priorities identified in the Joint Minutes on Vietnam and U.S. Coast Guard Maritime Cooperation signed October 1, 2013, by Vietnam Coast Guard Major General Nguyen Quang Dam and U.S. Coast Guard Commandant Admiral Robert J. Papp, Jr..

The United States will also expand its support for regional cooperation by strengthening information sharing among national agencies in Southeast Asia charged with maritime security and maritime law enforcement. Building on existing programs and initiatives, training for maritime law enforcement officials from participating Southeast Asian countries in multilateral settings will be expanded. Such training currently occurs as part of the Gulf of Thailand initiative and Trilateral Interagency Maritime Law Enforcement Workshops at the International Law Enforcement Academy in Bangkok.

Kerry's announcement builds upon the United States' commitment to support the efforts of Southeast Asian nations to enhance security and prosperity in the region, including in the maritime domain. Existing programs include efforts to combat piracy in and around the Malacca Strait, to counter transnational organized crime and terrorist threats in the tri-border region south of the Sulu Sea between the southern Philippines, Indonesia, and Malaysia, and to expand information sharing and professional training via the Gulf of Thailand initiative.

## Ratings agency forecasts tepid U.S. cargo growth this year

Fitch Ratings agency has forecast "stable, but tepid growth trends" for U.S. port cargo volumes in 2014.

In its 2014 outlook for U.S. transportation infrastructure, Finch said: "Port throughput volumes have been flat to modestly negative overall in 2013, with individual ports showing both negative and positive movements. "To the extent (gross domestic product) growth for both the United States and its global trading partners continues to meet Fitch's modest growth expectations, Fitch will expect to see similar stable, but tepid growth trends for port cargoes in 2014."

Data compiled by Containerization International on the top 10 U.S. box ports for the first 10 months of 2013 showed an overall increase of 1.2% to 28.9 million teu. Los Angeles remained the leading gateway port at 5.5 million teu so far this year, although it is a 5.4% decline versus the January to October period of 2012. West Coast rival hub Long Beach recorded a 13.2% rise over the same 10-month period to 5.5 million teu.

Estimated throughputs for New York on the East Coast indicated a 3.2% fall on-year in the first 10 months of 2013.

Fitch states that elements that may dis-

rupt expectations include a U.S. renewed economic slowdown or lull in consumer confidence, or unexpected negative economic trends in trading partner regions such as Europe, Asia and Latin America.

Fitch said the largest U.S. ports showed double-digit recovery from late 2009 until early 2011, before returning to declines in the latter part of 2011. It stated: "After continued mixed results in 2012, the first three quarters of 2013 were flat compared with the year prior on a consolidated basis. However, looking at individual ports, results have been mixed on both the East and West Coasts. For containerized cargo, year-to-date 20-foot equivalent units counted through September 2013 are flat compared with the same period in 2012 and are estimated to be 1% above 2012 when annualized results are considered. Combined teu throughput at the largest-rated ports is expected to finish the year at 95% of 2007 peak levels, with only the Port of New York/New Jersey and Virginia Port Authority showing positive growth relative to pre-recession levels."

Hackett forecasts that total U.S. import container volumes for 2013 will increase 2.3% on-year as retailers increase their inventory levels.

crude flowed into the Gulf.

# Leniency of *Costa Concordia* prison sentences challenged

Italy's supreme court is to review whether prison sentences given to four Costa Cruises crew members and one shore-based executive were too lenient. They had been allowed to plea-bargain for reduced sentences when facing charges over their roles in the *Costa Concordia* cruise ship disaster, which claimed 32 lives in January 2012.

The review, which was requested by prosecutors in Florence who consider the subsequent sentences for multiple manslaughter were too lenient, is due to be heard on January 31.

The five (shore-based crisis coordinator Robert Ferrarini, hotel director Manrico Giampedroni, first officer Ciro Ambrosio, officer Silvia Coronica, and helmsman Jacob Rusli Bin) were given sentences ranging from one year and six months to two years and 10 months in July of last year.

According to Italian news agency ANSI, the prosecutors claim the five did not do enough to meet their plea bargains, "having made no particular contributions to the investigations" with their "generic testimony".

The announcement comes as the trial of *Costa Concordia* master Francesco Schettino for multiple manslaughter and dereliction of duty continues. He could face a prison sentence of 20 years if found guilty.

# Foreign-flag operator knew of cruise ship fire risks prior to sailing

The doomed *Carnival Triumph* cruise ship that lost power at sea in February 2013, and left 4,000 passengers stranded without working toilets was reportedly inundated with safety and technical issues before it set sail.

The luxury vessel, now affectionately hailed as the "Poop Cruise" after people onboard were forced to live amidst their own waste for days, only had four of its six generators working at the time of departure. Carnival knew about the fire hazard posed by the generators, according to newly-disclosed company documents obtained exclusively by CNN, as lawsuits are pending against the cruise line.

The generator that caught fire and caused the outage had been overdue for maintenance for over a year, and was not in compliance with maritime safety laws.

The documents also reveal that the company was aware of the fuel line leaks that contributed to the fire, since similar problems had been present on other Carnival ships. The documents show that there had been nine incidents with fuel lines in just two years, confirmed CNN.

With the ship aimlessly drifting for four days, passengers had no air conditioning, and barely any lights, food, water, or working toilets. Carnival stated that the fine print on passengers' tickets "makes absolutely no guarantee for safe passage, a seaworthy vessel, adequate and wholesome food, and sanitary and safe living conditions."

#### Page 5

# In Memoriam Final Departures of SUP members reported in 2013

Wendell Allen, Book No. 3779. Born in Montana in 1926. Joined SUP in 1961. Died in Grants Pass, Oregon, April 27, 2013. (Pensioner)

Joe Amey, Book No. 3802. Born in California in 1941. Joined SUP in 1977. Died January 11, 2013. (Pensioner)

**Karl Andersen**, Book No. 3480. Born in Denmark in 1917. Joined SUP in 1944. Died in Washington, June 22, 2013. (Pensioner)

**Joaquin Atoigue**, Book No. 11480. Born in Guam in 1935. Joined SUP in 1946. Died in Vancouver, Washington, September 23, 2013. (Pensioner)

**Ismael Belleza**, Book No. 5702. Born in the Philippines in 1929. Joined SUP in 1968. Died in San Francisco, California, October 28, 2013. (Pensioner)

**Charles Bulmer**, Book No. 5742. Born in New York in 1945. Joined SUP in 1991. Died in San Francisco, California, December 10, 2012. (Pensioner)

**Thomas Curran**, Book No. 4652. Born in Illinois in 1928. Joined SUP in 1945. Died in Elk Grove, California, November 1, 2013. (Pensioner)

**Ronald Fague**, Book No. 2225. Born in Oregon in 1943. Joined SUP in 1967. Died in Portland, Oregon, October 15, 2013. (Pensioner)

**Louis Filipovich**, Book No. 2030. Born in California in 1922. Joined SUP in 1947. Died in Castro Valley, California, January 21, 2013.

**Richard Filkins**, Book No. 2214. Born in Iowa in 1926. Joined SUP in 1957. Died in Cottonwood, Arizona, April 4, 2013. (Pensioner)

**Onofrio Folcarelli**, Book No. 2069. Born in Pennsylvania in 1926. Joined SUP in 1945. Died in Fountain Valley, California, August 18, 2013. (Pensioner)

Beryle Franklin, Book No. 2186.

**Gary Hohn**, Book No. 5821. Born in Idaho in 1942. Joined SUP in 1965. Died in San Pedro, California, September 2, 2013. (Pensioner)

**Fred Hurst**, Book No. 5589. Born in California in 1928. Joined SUP in 1948. Died in Portland, Oregon, December 21, 2012. (Pensioner)

John Jewett, Book No. 4291. Born in California in 1921. Joined SUP in 1956. Died in Napa, California, February 1, 2013. (Pensioner)

**Eugene Jones**, Book No. 4275. Born in North Ireland in 1929. Joined SUP in 1951. Died in Merced, California, December 16, 2012. (Pensioner)

Lawrence Kusman, Book No. 3071. Born in New York in 1930. Joined SUP in 1947. Died September 2, 2013. (Pensioner)

**Demetrio Ledesma**, Book No. 4039. Born in Hawai'i in 1927. Joined SUP in 1949. Died in Hawai'i, April 4, 2013. (Pensioner)

**Joseph Marusak**, Book No. 6531. Born in Slovakia in 1961. Joined SUP in 1998. Lost at sea, February 20, 2013.

**Robert McWalters**, Book No. 6232. Born in California in 1924. Joined SUP in 1948. Died in San Francisco, California, May 16, 2013. (Pensioner)

Vincent Melito, Book No. 6430. Born in New York in 1927. Joined SUP in 1956. Died in Parrish, Florida, February 5, 2013. (Pensioner)

George Milosevich, Book No. 5647. Born in California in 1925. Joined SUP in 1943. Died in Sparks, Nevada, December 8, 2012. (Pensioner)

Jack Oakes, Book No. 2365. Born in Arkansas in 1927. Joined SUP in 1945. Died in Bentonville, Arkansas, December 28, 2012. (Pensioner)

Charles Oakley, Book No. 2416.

**Ramon Quintana**, Book No. 97. Born in California in 1927. Joined SUP in 1952. Died in California, July 17, 2013. (Pensioner)

Melvin Ralph, Book No. 2792. Born in California in 1925. Joined SUP in 1946. Died in Twain Harte, California, January 1, 2013. (Pensioner)

**R.W. Rasmussen**, Book No. 17343. Born in Texas in 1942. Joined SUP in 1977. Died June 8, 2013. (Pensioner)

William Rice, Book No. 3151. Born in Louisiana in 1929. Joined SUP in 1966. Died in Houma, Louisiana, May 10, 2013. (Pensioner)

Edward Schaffer, Book No. 7270. Born in Pennsylvania in 1927. Joined SUP in 1946. Died in Reno, Nevada, September 6, 2013. (Pensioner) Michael Schroeder, Book No. 17870. Born in Nebraska in 1931. Joined SUP in 1986. Died in Cloverdale, California, August 29, 2013. (Pensioner)

**Clifford Shea**, Book No. 7474. Born in Hawai'i in 1935. Joined SUP in 1968. Died in Honolulu, Hawai'i, July 13, 2013. (Pensioner)

**Ramey Simpson**, Book No. 5429. Born in Montana in 1918. Joined SUP in 1941. Died in Seattle, Washington, April 19, 2013. (Pensioner)

**Gregorio M. Vizcarra**, Book No. 835. Born in California in 1928. Joined SUP in 1950. Died May 7, 2013. (Pensioner)

**Nobuto Yoshida**, Book No. 238. Born in California in 1926. Joined SUP in 1951. Died in San Francisco, California, February 22, 2013. (Pensioner)

# **Uncle Sam's sweatshops**

The American government has pushed retailers like Walmart and Gap to demand better working conditions at factories in the developing world that make their merchandise. But it turns out that the government, which buys more than \$1.5 billion of clothes from overseas factories, does not follow its own advice.

Factories in Bangladesh, Haiti, Cambodia and elsewhere that make uniforms for federal workers often violate basic labor standards, according to a December 22 report in *The New York Times* by Ian Urbina. (Most American military uniforms are made in the United States.) One Cambodian factory that makes clothes sold on Army and Air Force bases has employed children as young as 15. A factory in Bangladesh that makes uniforms for the General Services Administration beats workers to keep them in line.

These conditions are common in poor countries where local and national governments are too weak or corrupt to enforce their own labor laws. That is why it's important that retailers and American government agencies inspect and monitor factories to make sure they are not buying from businesses that exploit workers or put them in harm's way. A building collapse in Bangladesh that killed more than 1,100 workers in April drove that message home to many clothes companies. More than 120 Western retailers have since agreed to seek better conditions.

Administration officials say they understand the importance of this issue; a presidential executive order last year tightened rules against using factories that employ forced labor. But many government agencies that use middlemen exercise little or no oversight over the factories that are used. And stores that sell more than \$1 billion in clothes on military bases every year outsource factory inspections to private retailers that have done a poor job of monitoring suppliers.

The government must do better. Federal agencies can start by disclosing the names of all factories they use; Congress could then order an investigation of the labor violations in those facilities. Next, agencies should jointly develop a code of conduct for overseas factories as well as an inspection regimen. Washington might also consider joining the retailers who have agreed to improve building safety in Bangladesh. In these and other ways, the federal government would improve the lives of millions of workers and set an example for the private sector to follow.

Born in California in 1926. Joined SUP in 1945. Died November 16, 2012. (Pensioner)

Louis Frazier, Book No. 2247. Born in Massachusetts in 1936. Joined SUP in 1987. Died in Hayward, California, May 28, 2013. (Pensioner)

Herman Hallman, Book No. 5789. Born in Estonia in 1925. Joined SUP in 1960. Died in Coral Springs, Florida, August 7, 2013. (Pensioner)

**Clarence Haynes**, Book No. 5708. Born in Illinois in 1929. Joined SUP in 1951. Died in Lewiston, Idaho, December 2, 2013. (Pensioner)

**Robert Hill-Tout**, Book No. 5806. Born in Canada in 1936. Joined SUP in 1967. Died April 18, 2013. (Pensioner) Born in Michigan in 1932. Joined SUP in 1949. Died in Boulder Creek, California, May 27, 2013. (Pensioner)

Ted Ochoa, Book No. 2454. Born in Texas in 1939. Joined SUP in 1964. Died January 11, 2013. (Pensioner) Sven Ottersten, Book No. 2249. Born in Sweden in 1920. Joined SUP in 1944. Died in Portland, Oregon, February 9, 2013. (Pensioner)

**Robert Palakiko**, Book No. 3536. Born in Hawai'i in 1925. Joined SUP in 1946. Died in Petaluma, California, October 2, 2013. (Pensioner)

**Clarence Pancake**, Book No. 3827. Born in West Virginia in 1928. Joined SUP in 1968. Died August 31, 2013. (Pensioner)

Editorial in The New York Times, December 29

# ILA vows to continue to fight N.Y. Waterfront Commission

Harold Daggett, President of the International Longshoremen's Association says a joint lawsuit by his Union and two employer groups against the Waterfront Commission of New York Harbor will continue despite the decision last month by a federal judge that denied a request by the Union and employers for a preliminary injunction.

The ILA, the New York Shipping Association and the Metropolitan Marine Maintenance Contractors Association have filed a lawsuit accusing the commission of overstepping its authority by imposing hiring rules that they claim conflict with those in newly signed Union-employer contracts.

The Waterfront Commission says the "allegations of improper interference with the collective bargaining process are categorically untrue" and that the lawsuit "is actually designed to prevent the commission from fulfilling its mandate to ensure the fair hiring of a diverse workforce in the port."

Daggett called on his members to "give their best efforts for our employers. They have been strong partners with us in this important fight."

# Arctic Ocean to get its own shipping rules

New shipping rules are soon to be 1,000 vessels traveled into the high Arcagreed for the Arctic, where summer sea ice has shrunk by about two-thirds over three decades, opening a new ocean with vast natural resources. Maritime nations are close to a landmark deal on the Polar Code, aimed to improve safety, lead to lower insurance premiums and help the rise of traffic, industry insiders said.

About a tenth of the world's undiscovered oil and close to a third of its undiscovered gas is thought to lie under Arctic waters. The Northern Sea Route along Russia's edge can reduce the sailing distance between Asian ports and Northern Europe by 40%.

A draft of the code could be finalized by members of the International Maritime Organization (IMO) this month and go into force by 2016, ending years of delays, Sturla Henriksen, the director general of Norwegian Shipowners' Association said. "There are no international conventions which regulate Arctic shipping operations, so in principle the same rules apply for sunny sailing in the Mediterranean as for the Arctic," Henriksen told Reuters on the sidelines of a conference. "It's a cold place, it has a hostile climate, it's enshrouded in darkness half of the year, weather is violent and extreme, distances are vast, the area is remote from large population centers, it's sparsely populated and it's far from basic infrastructure," Henriksen added.

Only 71 ships crossed the Northern Sea Route last year, compared to the 18,000 handled by the Suez Canal, but about a

tic, with much of the growth coming from oil and gas activity, particularly in Russia.

The Polar Code will set stringent rules on pollution, safety of life, training, certification and watch keeping. It will prescribe ship properties including required ice class and set uniform rules for all vessels in all of the polar countries. Under the current rules, any vessel traveling into the high Arctic -defined as above 72 degrees north-had to agree on a separate policy with its insurer with unique conditions negotiated for each vessel and each journey.

"The Polar Code is a very good step forward, we endorse it but it is just a step forward, we can't stop now," said Stein Are Hansen, the Assistant Director of the Norwegian Hull Club, a mutual marine insurance firm. "Any risk mitigation measures that produce fewer insurance claims will of course on average make insurance prices go down," Hansen said, adding that better search and rescue, improved maps and more icebreakers were still needed.

The code does not deal with the problem of ballast water discharge, which often introduces non native species to a region, and continues to allow vessels to use heavy fuel oil, a risk as the fuel would contaminate waters in case of an accident.

"We are concerned that there are important aspects that the Polar Code doesn't address," Nina Jensen, the head of environmental group WWF's Norwegian branch said.

## **Ports of Seattle and Tacoma file** new discussion agreement with **Federal Maritime Commission**

The ports of Seattle and Tacoma announced this month that they have filed a discussion agreement with the Federal Maritime Commission (FMC) that will allow them "to gather and share information to identify potential options for responding to unprecedented industry pressures.

"The leaders of both ports believe that recent developments in the shipping industry threaten the future of the Pacific Northwest trade beyond anything they have seen during the usual boom/ bust cycles in the Pacific trade," wrote Tay Yoshitani and John Wolfe, the chief executive officers of the Ports of Seattle and Tacoma, in a letter to the FMC. They said the letter was meant to provide background and context for the agreement.

yond our individual borders," they wrote. "While the ports of Tacoma and Seattle have many advantages, such as naturally deep water, and strong highway and rail connections to the second-largest concentration of warehouses and distribution centers on the West Coast, we must leverage our strengths in the face of continued soft demand and increasing competition. "

The port officials said the agreement will allow them, with appropriate legal oversight, to meet and share information "on all matters concerning container facility planning and development, management, and operational costs, and rates of return and utilization of port-owned container terminals."

They said they have a desire to explore

# **AFL-CIO: We don't** need another NAFTA

AFL-CIO President Richard Trumka released on January 9, the following statement in opposition to Fast Track trade promotion:

"The Trade Promotion Authority bill submitted on by Ways and Means Chairman Dave Camp (R-Michigan), Senate Finance Chairman Max Baucus (D-Montana) and Senate Finance Ranking Member Orrin Hatch (R-Utah) is out-of-date, poorly conceived and bad for American workers. For that reason, the AFL-CIO opposes this legislation in the strongest of terms and will actively work to block its passage.

It is past time for the United States to get off the corporate hamster wheel on trade. This legislation renews the undemocratic "trade promotion" process and completely fails to provide the transparency, accountability and oversight necessary for the far-reaching trade and investment agreements that the administration is negotiating, including the Trans-Pacific Partnership and the Trans-Atlantic Trade and Investment Partnership.

2014 marks the 20th anniversary of NAFTA (the North American Free Trade Agreement), which was only the first in a series of trade agreements that have undermined millions of middle-class American jobs and weakened our democratic structures. So it is ironic that this year the supporters of that failed model are bringing forward a fast track trade promotion bill to bring us more of the same: more trade deals that strengthen corporate power and CEO profits, while putting downward pressure on wages and opportunities for the rest of us; more outsourced and offshored jobs and more attacks on domestic health and safety regulations.

America's workforce deserves better than warmed over trade deals, which will do nothing to raise wages or reduce our \$540 billion trade deficit. The United States is long overdue for an overhaul of its trade priorities and trade practices. Rather than focusing on empowering multinational corporations, we should be working to support domestic manufacturing jobs, fix our crumbling infrastructure and rebuild a strong middle class. This fast track bill will do the opposite."

# Worldwide piracy incidents at six-year low: Somalia down

Piracy at sea has reached its lowest levels in six years, with 264 attacks recorded worldwide in 2013, a 40% drop since Somali piracy peaked in 2011, the International Chamber of Commerce (ICC) International Maritime Bureau (IMB) revealed this month, 15 incidents were reported off Somalia in 2013, down from 75 in 2012, and 237 in 2011.

IMB's annual global piracy report shows more than 300 people were taken hostage at sea last year and 21 were injured, nearly all with guns or knives. A total of 12 vessels were hijacked, 202 were boarded, 22 were fired upon and a further 28 reported attempted attacks. Nigerian pirates were particularly violent, killing one crew member, and kidnapping 36 people to hold onshore for ransom.

"The single biggest reason for the drop in worldwide piracy is the decrease in Somali piracy off the coast of East Africa," said Pottengal Mukundan, Director of IMB, whose Piracy Reporting Center (PRC) has monitored world piracy since 1991. IMB says Somali pirates have been deterred by a combination of factors, including the key role of international navies, the hardening of vessels, the use of private armed security teams, and the stabilizing influence of Somalia's central government. "It is imperative to continue combined international efforts to tackle Somali piracy. Any complacency at this stage could re-kindle pirate activity," warned Captain Mukundan.

The 15 incidents attributed to Somali pirates in 2013 include two hijacked vessels, both of which were released within a day as a result of naval actions. A further eight vessels were fired upon. These figures are the lowest since 2006, when 10 Somali attacks were recorded.

Meanwhile, West African piracy made up 19% of attacks worldwide last year. Nigerian pirates and armed robbers accounted for 31 of the region's 51 attacks, taking 49 people hostage and kidnapping 36, more than in any year since 2008. Nigerian pirates ventured far into waters off Gabon, Ivory Coast and Togo, where they were linked with at least five of the region's seven reported vessel hijackings. Off the coast

Among the developments the ports cited were:

· Increased competition from expanding ports across North America, prompting U.S. Pacific Northwest gateway ports to explore collaboration

• Loses by shipping lines, which they say are leading consolidation in to alliances "that could lead to fewer port calls, unless ports can craft cooperative responses, where appropriate to meet the needs of shipping lines"

• Deployment of larger container ships, which could lead to fewer port calls, while at the same time signaling an opportunity for ports that have the capability to handle the vessels because they have "deeper drafts, stronger aprons, and berths and adequate cranes"

"Although the two ports traditionally have competed with each other, we understand that the true competition or cargo in the Puget Sound is happening well beways to maintain the Pacific Northwest as a fully competitive gateway, but the ports said their commissions agree that a change in governance, such as a merger, will not be part of this discussion, and no subsequent outcomes are presupposed.

"The ports and their discussions are aimed at increasing our collective market share and generating more container cargo moving through Puget Sound, the nation's third-largest container gateway. We value our responsibility to serve the citizens of Pierce and King counties-and the manufacturers and agricultural exporters throughout the state- to continue to support thousands of jobs and generate significant tax revenues to state and local governments. "Both ports are committed to financially viable business models that support customer success, benefit the citizens of both counties, and ensure the ability of the ports to reinvest in terminal assets and infrastructure."

of Nigeria itself, two ships were hijacked, 13 were boarded and 13 fired upon.

Malaysian waters saw the hijacking of two product tankers with 27 crew taken hostage, resulting in the theft of ships' property and cargo.

In Indonesian anchorages and waters, IMB reports a high number of "low-level opportunistic thefts, not to be compared with the more serious incidents off Africa". However, these accounted for more than 50% of all vessels boarded in 2013, and armed robbery increased for a fourth consecutive year. Over a third of Indonesia's incidents were reported in the last quarter of 2013. The IMB PRC has been working closely with the Indonesian Marine Police who have increased maritime patrols and designated safe anchorage areas for vessels to use in certain higher risk ports.

Attacks in India and Bangladesh are also described as "low-level and opportunistic". The incidents off India have increased year on year since 2010, reaching 14 in 2013, while IMB says active patrolling by the Bangladesh Coast Guard has kept the number of incidents off Chittagong in Bangladesh at around 12 for the last few years.

The IMB PRC is the only independent 24-hour manned center receiving reports from and providing information to ships, law enforcement and governments in respect of attacks around the world. IMB strongly urges all shipmasters and owners to report all incidents of actual and attempted piracy and armed robbery to the IMB PRC. This first step in the response chain is vital to ensuring that adequate resources are allocated by authorities to tackle piracy. Transparent statistics from an independent, non-political, international organization can act as a catalyst to achieve this goal.

# ESU OFFICE ASSIGNMENTS

For the month of February, Leo DeCastro will be in the Seabrook office.



JANUARY 2014

Official Publication of the Exxon Seamen's Union

# **Coast Guard now issuing Medical Certificates**

On January 2, 2014, the U.S. Coast Guard began issuing medical certificates to all mariners holding valid international endorsements (STCW). The National Maritime Center expects to issue 50,000 medical certificates within 90 days. Because of the large number of certificates issued in a relatively short time, the expiration dates on these medical certificates will vary depending upon when the mariner's MMC expires. No action should be required of individual mariners in order to obtain the certificate.

The medical certificate is a new document that serves as proof that a mariner meets the required medical and physical standards as per the Final Rule to implement the International Convention on Standards of Training, Certification Watchkeeping for Seafarers, 1978, as amendments. This Final Rule incorporates the 2010 Amendments to the STCW Convention into the U.S. regulations.

Additionally, the Maritime Labour Convention (MLC) entered into force on August 20, 2013. The MLC requires mariners serving on vessels to have a valid MLC medical certificate. The U.S. has not ratified the MLC, however the MLC contains a "no more favorable treatment clause" that requires ratifying governments to impose Convention requirements on all vessels when calling on their ports.

Medical Certificates issued under STCW will be acceptable under the MLC, 2006. STCW sets a maximum period of validity for medical certificates at two years.

The medical certificate is the Coast Guard's authorization that a mariner has met the following requirements:

• Have the physical capability to fulfill all the requirements of basic training as required by Section A-VI/1 of STCW;

• Demonstrate adequate hearing and speech to communicate effectively and detect any audible alarms;

• Have no medical condition, disorder or impairment that will prevent the effective and safe conduct of the seafarer's routine and emergency duties;

• Are not suffering from any medical condition likely to be aggravated by service at sea or to render the seafarer unfit for service or to endanger the health and safety of other personnel on board;

• Are not taking medication that has side effects that will impair judgment, balance or any other requirements for effective and safe performance of routine and emergency duties on board.

Once you receive your medical certificate you should sign your certificate as soon as you receive with blue or a black ball-point pen. The NMC recommends you fold the certificate and keep it in the plastic sleeve at the back of your MMC (Red Book).

In order to ensure timely delivery of documentation from the NMC as a result of this change, the NMC is requesting that all mariners with non-expired STCW endorsements provide them with your most current contact information as soon as possible. If there have been no changes to your contact information (including mailing address, phone number, and e-mail address) since your last credential transaction, no action is required. There is no cost for the medical certificate.

# Ship reports

#### S/R AMERICAN PROGRESS

Since last month's report, the vessel has been in the process of being reassigned US Gulf Coast service. After four plus years of ANS service, the news of reentering the vessel's original trade region was well received by the crew. The ship transited the Panama Canal in mid-January and is scheduled to arrive at a port Sabine Pass around the 24th. The crew has been working hard to prepare the vessel for the switch to clean product service. Board Member at Large, Joe Bernavich continues to handling the Rep. duties.

# **2014 contract negotiations begin in March**

Article I, paragraph 2 of the Exxon Seamen's Union collective bargaining agreement titled "Terms Of Agreement" states that negotiations should be scheduled to begin at least ninety days prior to the termination of the contract. Consistent with this language and the impending expiration of our current collective bargaining agreement on August 31, 2014 the Exxon Seamen's Union and SeaRiver Maritime Inc. have agreed to meet in the Houston area on March 17, 2014 to begin formal bargaining.

The Executive Board will begin our preparatory work on March 15th and 16th, prior to meeting with the company on March 17th. Further negotiating dates, if needed and if mutually agreed upon, will be established at the end of the March session. Ideally, a tentative agreement should be completed in order to allow ample time for the membership to vote on the new contract prior to the expiration date. The ESU Constitution and By-laws requires a sixty (60) day voting period for ratification of any proposal presented to the membership.

The ESU Board has been in the process of canvassing the membership for their input, ideas and concerns as we head for the bargaining table. The Union bargaining committee will continue to work throughout this process to negotiate a contract that is worthy of a "yes" vote.

The ESU Bargaining Committee will consist of the four principal Executive Board Officers: John Straley, Leo DeCastro, John McCarthy and Joe Bernavich. Additionally, Department Trustees William Ackley, Jeff Harris and Joel Mitchell will represent the Union during negotiations.

Union attorney Sharon Groth will also once again serve as Advisory Counsel to the Union during these negotiations. Ms. Gorth has represented to ESU since the late 90's and has participated in Contract negotiations since 2000. Prior to working with the ESU, Ms. Groth represented the refinery workers in Baytown for many years and is a very experienced labor attorney. The ESU is fortunate to have her services as legal counsel and advisor for another round of bargaining.

The ESU again thanks the membership for your input and continued support. It is this strong support that is the source of our strength as a union and one of our greatest assets in bargaining.

## Increased processing times for Merchant Mariner Credentials

The National Maritime Center (NMC) is presently experiencing elevated processing times and inventories for merchant mariner credential (MMC) applications, and other products including newly required Security Endorsements. These increases can be partly attributed to the recent lapse of appropriations (government furlough) and the surge of applicants seeking security endorsements required by January 1, 2014.

During the first 6 months of 2013, the NMC was providing an average of 500 security endorsements per month. Since September, the NMC has averaged nearly 3000 security endorsement applications and has issued over 2400 endorsements monthly. These submissions are in addition to our normal expected MMC applications. As a result, the NMC currently has a standing inventory level of application requests where-by mariners may note an increase in the time it takes to process applications and to respond to customer inquiries in the Call Center. The system generated e-mails that mariners receive indicating potential production and delivery dates are not accurate at this time. The NMC is looking into resolving this discrepancy. According to the NMC following the longe in empropriations in October initial stant to reprincipility and the second statement.

#### KODIAK

Board Member John Straley visited the vessel at Chevron Richmond on December 31st. Board Member, Leo DeCastro also paid a visit (1-16) while the vessel was discharging cargo at Tesoro in Long Beach, CA. Eric Bush filling in as Ship Rep. with Joe Butler departing to paid leave. Next trip south from Valdez is scheduled for the Puget Sound.

#### SIERRA

Board Member John Straley visited the vessel at Chevron Richmond on December 30th. Board Member Leo DeCastro visited (1-15) the vessel while discharging cargo at Tesoro in Long Beach, CA. Regular Ship Rep. Thor Floreen aboard and reports not problems. Next trip south slated for a split discharge in the San Francisco Bay area.

THE ESU NEWS IS WRITTEN AND EDITED BY THE EXXON SEAMEN'S UNION.

NMC, following the lapse in appropriations in October, initial steps to reprioritize credentialing evaluation and production efforts were enacted, and those efforts continue.

If you are needing to renew your Merchant Mariner Credential/Documents in the near future, please allow plenty of time. The ESU has always recommended to the membership to start the process several months early and with the backlog of applications currently in the system you should consider this if you are in the window of renewing your MMC. The NMC under normal conditions usually can process your application within a month but if problems arise you may require additional time. No word when the NMC expects processing times to return to normal.

### **EXXON SEAMEN'S UNION**

*Founded March 28, 1941* Affiliated with the Sailors' Union of the Pacific

P.O. Box 754, Seabrook, TX 77586 Tel (832) 295-3047 Cell (713) 306-9528 Fax (832) 201-0441 E-Mail: esusea@sbcglobal.net

#### President/Secretary John Straley

Vice President/Treasurer Leo DeCastro Board Member at Large Joe Bernavich Board Member at Large John McCarthy Deck Trustee Jeffrey Harris Engine Trustee William Ackley Steward Trustee Joel Mitchell

## Guidelines on blood pressure shifted

New guidelines published last month in the Journal of the American Medical Association (JAMA) for the treatment of high blood pressure take a step back from the long-standing position that lower is always better when managing hypertension, raising the level at which people age 60 and over should start taking medication.

For many patients, the recommendations by an expert panel could simplify what is often a complicated effort to get blood pressure under control, especially those who take multiple pills to treat several chronic ailments, researchers said.

Other experts worried that by endorsing a higher threshold for treating the condition, the guidelines could put patients at a heightened risk of heart attacks and strokes.

More than 75 million Americans have high blood pressure, according to the American Heart Association, about half of whom have it successfully managed to below the current threshold of 140/90. The condition, which increases in prevalence as people get older, is a major risk factor for cardiovascular disease, diabetes and kidney failure.

The new hypertension recommendations say doctors should consider prescribing blood-pressure drugs to patients age 60 and over whose levels are 150/90 or higher. The previous threshold was 140/90.

In addition, the panel raised the target to 140/90 for people between ages 20 and 59 who have diabetes or kidney disease. The previous threshold for those patients was 130/80. For all other adults, 140/90 remains the trigger to consider taking drugs to lower the numbers.

Raising the target to 150 for older patients drew concern in an editorial accompanying the guidelines' publication in JAMA. Eric Peterson, a cardiologist at Duke Clinical Research Institute, Durham, North Carolina, and two other experts noted that 10 millimeters of mercury difference in the top blood-pressure reading is associated with a significant difference in risk of serious cardiovascular events. One study found that lowering the number to 143 from 155 for five years led to a 32% reduction in heart attacks and other cardiovascular events.

Optimal blood pressure has long been regarded as below 120/80, and for natural or untreated levels that is still the case, said Paul James, a family medicine doctor at University of Iowa Hospitals and Clinics and lead author of the new recommendations.

Many older patients take two or three pills to control blood pressure on top of drugs to manage other illnesses, and the resulting side effects can cause people to stop taking the drugs. The recommendations were developed by the Eighth Joint National Committee on Prevention, Detection Evaluation and Treatment of High Blood Pressure.

# Banker who stole \$21 million also cost the Coast Guard

A small town banker accused of stealing millions of dollars from investors before faking his own death was also on the book for a hefty search bill from the U.S. Coast Guard.

Georgia law enforcement says that Aubrey Lee Price, 47, was arrested on New Year's Eve in Georgia after being pulled over for illegally tinted windows. When questioned by police for possessing multiple fake I.D.'s, Price admitted to being a former Valdosta, Georgia banker who is wanted by the FBI for stealing \$21,000,000 before he faked his own death and took off.

Price was reported missing on June 18, 2012, when a family member in Georgia told the Coast Guard they had received a certified letter, believed to be a suicide note from Price, stating that he intended to jump off the Key West Express Ferry in Naples, Florida. The note prompted a Coast Guard search and rescue from Fort Meyers to Key West involving a HC-130 Hercules aircraft and an HC-144 Ocean Sentry aircraft.

The Coast Guard says the hoax placed rescuers unnecessarily in harm's way and cost taxpayers thousands of dollars, more than \$173,000 to be exact. The cost of operating a Coast Guard HC-130 Hercules aircraft is \$17,866 per hour and the cost of operating an HC-144 Ocean Sentry Aircraft is \$15,354 per hour, the Coast Guard said.

Creating a hoax or making a false distress call is a felony punishable by law. The maximum penalty for making a false distress call is six years in prison, a \$5,000 civil fine, a \$250,000 criminal fine and reimbursement to the Coast Guard.

Editor's Note: To receive the West Coast Sailors via first-class mail it's \$25 per year U.S. mail; \$45 per year international.

# Welfare Notes January 2014

### THE AFFORDABLE HEALTH CARE ACT

If you are enrolled in a Kaiser, Health Net, or Blue Cross/Blue Shield of Louisiana medical plan through the SUP Welfare Plan, you have the health plan coverage required by the Affordable Care Act. Medicare, Medicaid, and military plans also satisfy the requirements.

California residents can go to Covered California online at www.coveredca.com to find information on plans for family members not covered under your health plan or Medicare. Residents in other states can find the Health Insurance Marketplace by calling 1-800-318-2596 or going to www.healthcare.gov.

### MEMBER ASSISTANCE PROGRAM

The Member Assistance Program is a confidential, professional resource that is provided by your Trust Fund. It includes a staff of counselors, psychologists and other professionals to help Members and their dependents resolve personal problems. The services are provided by Human Behavior Associates, Inc.

Human Behavior Associates is a private firm that specializes in providing employee counseling and assistance programs. The staff includes psychologists, clinical social workers, marriage and family therapists and addictions counselors.

All contact between employees and the Member Assistance Program is strictly confidential. Your Trust Fund has contracted with Human Behavior Associates to provide a specific number of no-cost counseling sessions. For continued treatment you will be referred to your medical plan. Be sure to enroll in a medical plan. There may be charges for continued treatment.

To request help call 1-800-937-7770 or collect at 707-747-0117. The help line is available 24 hours per day. The program staff will refer you to the appropriate resource for your issues. You will be referred to local counselors and treatment centers, self-help programs and other sources for immediate assistance.

You can also contact Human Behavior Associates, Inc. on line at www.callhba.com.

Michelle Chang, Administrator mcsupsiupd@sbcglobal.net Patty Martin MPP & 401(k) Plans, Death Benefits martinpatty59@sbcglobal.net Virginia Briggs Claims vbriggs80@sbcglobal.net Michael Jacyna Eligibility mjacyna67@sbcglobal.net Training Representative Berit Eriksson 206-551-1870 berittrainrep@sbcglobal.net

SUP Welfare Plan

730 Harrison Street, #415, San Francisco, CA 94107 Phone Numbers: 415-778-5490 or 1-800-796-8003 Fax: 415-778-5495 SIU-PD Pension 415-764-4987 SIU-PD Supplemental Benefits 415-764-4991 Seafarers Medical Center 415-392-3611

# Mariners' museum lifts the lid on history of the head at sea

At most museums, patrons have to take a pause from experiencing the exhibits when they need to use the lavatory. Not at the Mariners' Museum in Newport News, Virginia.

The maritime history museum has launched the exhibition "A Head of Its Time", an exploration of the history of relieving oneself while at sea. Held in the museum's own bathrooms, the exhibit explains the history of lavatories, or the lack thereof, on ships. It is an educational experience that is eight years in the making, thought up as a joke by former Maritime Museum President John Hightower before museum staff converted it into a formal proposal.

"There is a certain experience that cuts across time, space, age and ethnicity, though not necessarily across genders," wrote collections and programs chief Anna Halloway in the introduction to the proposal. It took some time to get funding.

Panels on restroom walls, above urinals and on the doors of toilet stalls reveal the ins and outs of oceangoing bathroom use. Why is the toilet called "the head"? What did mariners use for toilet paper? All is explained with the help of local cartoonist Walt Taylor, who is the political cartoonist for the *Virginian-Pilot* newspaper.

### Subscribe to the *West Coast Sailors* via First Class Mail

Name (print)		Book No
Address		
City		
State	Zip	Country
		U.S. \$25; International \$45 per year Send check or money order to: West Coast Sailors 450 Harrison Street San Francisco CA 94105

"I think we can all agree that the need for a toilet is a universal experience," said Halloway in a news release. "The name derives from sailing ships in which the toilet area for the regular sailors was placed at the head or bow of the ship.

## **Membership and Ratings Committee**

Met on January 2, 2014, and found the following members eligible for advancement in seniority and rating stamps in the various departments:

Name and Member	<u>rship Number</u>	<u>Seatime</u>	<u>Rating</u>	<u>Seniority</u>	
Quentin Brown	5759	6 Years	A.B.	А	
Tshomlee Go	19349	1 Year	O.S.	В	
Noel Romero	C-2422	30 Days	A.B.	С	
Ben Ashton	C-2423	30 Days	O.S.	С	
Doug Boe	C-2424	30 Days	A.B.	С	
Rating Stamps					

#### **Rating Stamps**

Brendon Bohannon 5755 Bosun

Membership and Ratings Committee's Report - M/S to concur in the Committee's report. Carried unanimously. Membership and Ratings Committee: Marc Cris Calairo #4819, Romaine Dudley #2593, and Ricky Pangan #3867.

# **Cost overruns endangers Panama Canal expansion**

The president of Panama said this month he would go to Spain and Italy to pressure companies to honor contracts to expand his country's canal after a building consortium behind the project threatened to suspend work because of a dispute over costs. The consortium – Spain's Sacyr, Italy's Salini Impregilo, Belgium's Jan De Nul and Panama's Constructora Urbana- said that \$1.6 billion in cost overruns on the \$3.2 billion plan to build a third set of locks for the canal should be met by Panama.

The consortium, known as Grupo Unidos por el Canal, said the Panama Canal Authority (PCA) had 21 days to respond to its demands during which work would continue, but the project would be suspended if that requirement was not met. The PCA rejected the demand, hinting it could find others to complete the job.

Panamanian President Ricardo Martinelli accused the companies of "great irresponsibility" and said they had endangered the massive construction project, which has been a major driver of the Central American nation's economy. Martinelli, who took power in 2009, said he expected Italy and Spain to uphold commitments to back the project which the countries' leaders made to him during his first year in office. "So I'm going to go to Spain and Italy to demand this from them, because a company should not be able to put such a high amount of overrun costs on a project that belongs to humanity," he told reporters in Panama City. The Spanish and Italian governments have a "moral responsibility" to help resolve the dispute because their companies were engaged in the construction, Martinelli added.

Jorge Quijano, the head of the PCA, said if the project were delayed due to the dispute, Panama would see it through. "This work will be finished, never fear, even if it takes longer to complete."

Panama has already moved back the scheduled completion date for the expansion from October 2014 into mid-2015.

To see that the work was concluded, Quijano said the PCA had, since November, been in contact with insurer Zurich in North America, with which it had \$600 million in surety bonds that could be used to support the project. In addition, the PCA could tap the \$1.2 billion it had not yet paid to the consortium to finish the work, he added. So far the PCA had only paid the contractors \$2 billion, he said.

The new locks represent the biggest chunk of the canal expansion plan, which overall is worth some \$5.3 billion.

The PCA says the total expansion is just over 70% finished with the locks 65% complete. The canal's extension aims to broaden and deepen existing channels so that more and bigger vessels can sail through.

The consortium said the overruns were due to unforeseen events during construction, which it said was "normal" in such projects. It also said the PCA had failed in its obligations and given the consortium "inexact" information for the project. But the PCA said that if the consortium was not capable of honoring its agreements, it would initiate "mechanisms from the contract that would allow the work to be completed." It did not explain what those would be

Sacyr won the bid on the canal contract in 2009 with a \$3.12 billion offer, which was considerably lower than that of rivals, as well as below the \$3.48 billion reference set by the PCA.

Political columnist Pepe Oneto, writing in opinion blog republica.com, said the news was terrible for Spain's attempt to rebuild its image abroad following a severe economic crisis with the collapse of the country's building and property sector. "The Spanish government ... knew that it was impossible for the budget to be met. Sacyr bid low, convinced that, in the end, the cost overruns it is demanding now would be met," he said.

A spokesman for Sacyr said that part of the cost overrun was because some building materials as originally budgeted were not adequate for the final work. The PCA had rejected the concrete mix the consortium had planned to use for the project. "The consortium's intention is also to find a solution within the terms of the contract, as there are mechanisms that make it possible," Sacyr's spokesman said, without elaborating.

# **Emissions requirements** hit California ports

New Year's Day began the transition period set by the California Air Resources Board (ARB) for vessels to comply with a new 2014 measure regulating emissions. Most vessels have made the necessary investments in equipment and practices in order to comply, according to an ARB regulatory advisory released December 23.

The transition period for the measure -called the Airborne Toxic Control Measure for Auxiliary Diesel Engines Operated on Ocean-Going Vessels At-Berth in a California Port- is January through June 30, which gives vessels this time period to implement new practices.

The ARB said vessels must comply with two criteria, on a quarterly basis, starting January 1. The first is that at least half of a fleet's visits to a port must follow engine limitations that call for auxiliary engines on the vessel to not operate for more than three to five hours (based on the type of power transfer) during the entire time the vessel is at-birth. Secondly, the fleet's total onboard auxiliary engine power generation must be cut in half from its baseline power generation.

ARB said terminals and ports that do not make shore power available by January 1, may be penalized. ARB used its advisory to address specific situations that it said may affect the vessel's ability to be in compliance with the new regulation.

"While the January 1, 2014, compliance date remains unchanged, ARB will recognize a vessel's good faith efforts to comply with the requirements during a transition period," the advisory said. It also said a vessel may use relief it qualifies for based on its staffs determination of evidence proving a good faith effort to comply. The situations to be considered are:

The vessel is equipped to receive shore power, but the terminal's berth is not ready to provide it.

- During 2014, a vessel makes its first commissioning visit to a terminal, and during the visit, the auxiliary engines operate longer than three hours.
- During the first and second quarters, a vessel uses shore power but fails to meet the three-to-five-hour time limit for connecting or disconnecting shore power.
- During the first half of the year, a vessel is unable to use shore power due to delays in receiving shore power equipment and making retrofits to the vessel.
- During the first half of the year, vessels are using an alternative technology to help comply with the regulation.

## **Chevron Shipping Company Wages and Overtime Rates**

#### Effective February 1, 2014

Daily

Rating	Monthly <u>Wages</u>	Overtime <u>Rates</u>
Boatswain	\$4,499.14	\$24.26
Able Seaman	3,244.59	24.26
Machinist	4,106.09	24.26
Pumpman	4,106.09	24.26
Machinist Trainee	3,244.59	24.26
Oiler/QMED	3,244.59	24.26
Wiper	2,721.24	18.88
Ordinary Seaman	2,721.24	18.88
Steward Cook	4,481.91	24.26
Cook	3,244.59	24.26
Messperson	2,721.24	18.88
Wages based on a 40-ho	our week	

# **Patriot Contract Services**

The government of Nicaragua announced this month that the construction of its inter-ocean canal will be delayed for a year because the waterway's path has yet to be defined.

Manual Coronel Kautz, president of the Nicaragua Canal Authority, said that the project will not begin until 2015 because approval of the canal's route came later than expected. Authorities had previously said that construction would begin this year. Kautz said that authorities wanted to wait for feasibility studies to be well advanced.

The announcement comes at the same time as a \$1.6 billion dispute between Panama's government and a consortium responsible for expanding its canal. Nicaraguan legislators this past June granted Beijing-based telecommunications CEO Wang Jing the concession to build and operate a canal more than three times the length of the Panama Canal.

### LMSR wage and benefit rates USNS Gordon, USNS Gilliland, USNS Shughart, USNS Yano Effective January 27, 2014

#### Full Operating Status (FOS)

	•	Monthly Base Wage	Daily Base Wage	, Hourly Overtime Rate	Vacation Days Per Month	Monthly Benefit Base	Monthly Supple. Benefit	Daily Supple. Benefit	Daily Money Purchase Plan
Bosun		7,316.15	243.87	25.84	16.00	5,353.07	2,854.97	95.17	10.82
AB		5,178.48	172.61	18.05	16.00	3,806.53	2,030.16	67.67	10.82
OS		4,184.56	139.49	16.66	16.00	2,918.68	1,556.62	51.89	10.82

#### **Reduced Operating Status (ROS)**

Weekly Base Wage	Daily Base Wage	Hourly Overtime Rate	Vacation Days Per Month	Monthly Benefit Base	Monthly Supple. Benefit	Daily Supple. Benefit	Money Purchase Plan
1,286.37	183.76	25.84	6.00	5,353.07	1,070.61	35.69	10.82
910.82	130.11	18.05	6.00	3,806.53	761.30	25.38	10.82
697.00	99.56	16.66	6.00	2,918.68	583.74	19.45	10.82
	<b>Base</b> Wage 1,286.37 910.82	Base Wage   Base Wage     1,286.37   183.76     910.82   130.11	Base Wage   Base Wage   Overtime Rate     1,286.37   183.76   25.84     910.82   130.11   18.05	Base Wage   Base Wage   Overtime Rate   Days Per Month     1,286.37   183.76   25.84   6.00     910.82   130.11   18.05   6.00	Base Wage   Base Wage   Overtime Rate   Days Per Month   Benefit Base     1,286.37   183.76   25.84   6.00   5,353.07     910.82   130.11   18.05   6.00   3,806.53	Base Wage   Base Wage   Overtime Rate   Days Per Month   Benefit Base   Supple. Benefit     1,286.37   183.76   25.84   6.00   5,353.07   1,070.61     910.82   130.11   18.05   6.00   3,806.53   761.30	Base Wage   Base Wage   Overtime Rate   Days Per Month   Benefit Base   Supple. Benefit   Supple. Benefit     1,286.37   183.76   25.84   6.00   5,353.07   1,070.61   35.69     910.82   130.11   18.05   6.00   3,806.53   761.30   25.38



Page 10

# SUP President's Report

#### January 13, 2014

#### **CHEVRON SHIPPING COMPANY**

In accordance with the 2012-2017 agreement between the SUP and Chevron, wages and overtime rates shall increase by 2.5% on February 1. In addition, vacation pay shall increase to 24 days for each 30 days of work.

#### PATRIOT CONTRACT SERVICES

#### Surge Sealift LMSR vessels

In accordance with the agreement between Patriot and the SUP, MFOW and SIU-Marine Cooks, effective January 27, there will be a 2% increase in Total Labor Cost (wages, overtime, supplemental benefits, SUP Money Purchase Pension Plan, SUP Welfare Plan, etc.) in the surge sealift Large Medium Speed Roll-On/Roll-Off (LMSR) vessels USNS Gilliland, USNS Gordon, USNS Shughart and USNS Yano operated and maintained by the company for the Military Sealift Command (MSC).

The increase marks the fifth year of the contract between Patriot and MSC. There are two more one-year option periods and five six-month award term periods. If all option periods are exercised by the government, Patriot will be operating the ships until 2017.

New wage scales will be published in this month's *West Coast Sailors*.

#### Watson-Class LMSR vessels

As reported, in September of last year, Patriot was awarded a contract by the Military Sealift Command (MSC) to operate and maintain eight Watson-Class vessels. Following on the heels of the announcement, the incumbent operator, Ocean Ships, Inc, filed a protest with the Small Business Administration. After that challenge was rejected, Ocean Ships filed a protest with the General Accountability Office (GAO) which triggered a 100-day maximum review period. With Patriot speculating that Ocean Ships thought it would lose with the GAO, the protest was shifted to the Court of Federal Claims. The Court has set a hearing date for March 11, which was originally scheduled for February 11. Patriot expects the decision will be made by mid-March.

Patriot is confident that the protest will be rejected. The SUP has a sufficient number of trained, qualified sailors to initially man all eight ships and is eager to begin dispatching.

#### **Shallow Draft Tanker**

As reported in August of last year, Patriot and its partner, Annapolis, Maryland-based Schuyler Line Navigation Company, were awarded a contract by the Military Sealift Command to operate a small, shallow draft tanker in the Pacific for five years.

This award was also challenged by a competitor for the award. On January 7, Patriot informed the Union that the GAO had rejected the protest. The company also stated that it was working with Schuyler Line and the MSC on Archstone first approached the Union about a shoring agreement in August of 2012. Last year discussions began in earnest, but with the Union requesting that it needed legal representation plus engineering advice with the caveat that Archstone pay for the professionals. Archstone agreed and land use attorney Illene Dick of the law firm Farella Braun & Martel and Tim Mathison of Tuau and Robinson Structural Engineers were retained to represent the Union.

With the invaluable help of Ms. Dick and Mr. Matison, the Building Corporation was able to negotiate a shoring agreement with Archstone. By using this method, the 340 Fremont excavation will actually strengthen and improve the SUP building's structural integrity and support.

Because 340 Fremont has to "use" SUP property, the Agreement grants them a "license". A license is a legal term that allows the non-owner to use and occupy the owner's land for a temporary, limited purpose. Here, the Agreement allows 340 Fremont to use the SUP below-grade property to support their new building. Once the building is built, the license is terminated. Since the "license" grants 340 Fremont a right to use SUP property, the Agreement will be recorded against the SUP property. Because there are no lenders/liens on the SUP property, recordation has no legal effect on its ownership or use. Once the Agreement is terminated, the Building Corporation can "unrecord" the license.

In exchange for allowing Archstone use of SUP property to build its foundation, the Building Corporation demanded sufficient compensation to handicap at least part of the Headquarters building in compliance with the Americans with Disabilities Act (ADA). Archstone initially offered \$15,000 which was rejected.

To get a better idea of the costs of retrofitting part of the building, the Building Corporation hired structural engineer Patrick Buscovich to estimate the cost of making the first and basement floors ADA compliant. Mr. Buscovich estimated the cost in the range of \$250,000 to \$300,000.

After protracted bargaining, Archstone said that in exchange for allowing it the use of SUP property to build its foundation, Archstone will be paying SUP \$300,000 to be used to add ADA upgrades to the front entrance and portions of the interior of the SUP building. The Union receives the first \$50,000 in late March, with the remaining \$250,000 being paid by late June/early July.

Accordingly, on behalf of the Building Corporation, your secretary signed the agreement on January 8, with unanimous support of the other trustees (Bill Berger, Paul Calais, Dave Connolly and Norm Christianson).

#### HOLIDAYS

**Martin Luther King, Jr.'s Birthday**: All SUP halls will be closed Monday, January 20. This is a holiday under all SUP contracts except Foss Maritime Company. Due to the holiday, the Branch meetings will be held on Tuesday, January 21.

**Lincoln's Birthday**: All SUP halls will be closed Wednesday, February 12, in accordance with the agreements with APL, Chevron, Matson and the San Francisco Bar Pilots.

**Presidents' Day**: All SUP halls will be closed Monday, February 17, in accordance with the agreements with APL, Foss, Matson and Patriot Contract Services. Due to the holiday, Branch meetings will be held Tuesday, February 18.

**Washington's Birthday**: Since this holiday falls on a Saturday this year, it will be observed on Monday, February 24, under the Chevron agreement. For members employed by the San Francisco Bar Pilots, Station Boat crews, Run Boat crew and Dispatchers the holiday will be observed on Saturday, February 22, The Dock Bosun will observe the holiday on Monday, February 24.

#### **ACTION TAKEN**

M/S to concur with the President's report in its entirety. Carried unanimously.

Gunnar Lundeberg

# SUPPORT THE SAILORS' POLITICAL FUND



the vessel delivery schedule.

#### SAN FRANCISCO BAR PILOTS

In accordance with the 2013-2015 agreement between the SUP and the San Francisco bar Pilots, wage and overtime rates for Marine Personnel and Dispatchers increased by 2.5% effective January 1.

#### SUP BUILDING CORPORATION

Archstone Rincon Hill, LLP, the owners of the property (340 Fremont Street) formerly occupied by the SIU-Marine Cooks & Stewards and the MEBA, plan to erect a 40-story residential building on the site. Since the property is adjacent to Headquarters, Archstone needs to get a shoring agreement from the SUP Building Corporation to excavate their building's foundation. "Shoring" is a general term that includes different means and methods of supporting a building's structure below grade.

Manoa AB Rhonda Benoit, with pink hardhat, hooking up stores on the dock in Oakland on January 14. The laid-up Matsonia is in the background. Photo Dave Connolly



*SUP Delegate Tom Koppel takes morning coffee aboard the Matsonia in Oakland on December 31, 2013. Photo: Dave Connolly* 

### New international maritime regulations

A number of amendments to the International Convention for the Safety of Life at Sea (SOLAS), the International Convention for the Prevention of Pollution from Ships (MARPOL) and the 1985 Load Lines Protocol entered into force or took effect from January 1, 2014. The amendments were promulgate by the International Maritime Organization (IMO), the United National agency with responsibility for the safety and security of shipping and the prevention of marine pollution by ships.

The amendments include passenger ship safety (in relation to safe return to port after a flooding casualty); the testing of free-fall lifeboats: minimum safe manning levels; prohibition of blending onboard; and the revised MARPOL Annex III.

#### 2012 May SOLAS amendments

The SOLAS amendments which entered into force on January 1, 2014 include the following:

- Amendment to SOLAS regulation II-1/8-1, to introduce a mandatory requirement for new passenger ships for either onboard stability computers or shorebased support, for the purpose of providing operational information to the Master for safe return to port after a flooding casualty;
- Amendment to SOLAS regulation III/20.11.2 regarding the testing of freefall lifeboats, to require that the operational testing of free-fall lifeboat release systems shall be performed either by free-fall launch with only the operating crew on board or by a simulated launching;
- Amendment to SOLAS chapter V to add a new regulation V/14 all ships' manning, to require Administrations, for every ship, to establish appropriate minimum safe manning levels following a transparent procedure, taking into account the guidance adopted by IMO (Assembly resolution A.1047(27) on Principles of minimum safe manning); and issue an appropriate minimum safe manning document or equivalent as evidence of the minimum safe manning considered necessary;
- Amendment to SOLAS chapter VI to add a new regulation V1/5-2, to prohibit the blending of bulk liquid cargoes during the sea voyage and to prohibit production processes on board ships;
- Amendment to SOLAS chapter VII to replace regulation 4 on documents, covering transport information relating to the carriage of dangerous goods in packaged form and the container/vehicle packing certificate; and
- Amendment to SOLAS regulation XI-1/2 on enhanced surveys, to make mandatory the International Code on the Enhanced Program of Inspections during Surveys of Bulk Carriers and Oil Tankers, 2011 (2011 ESP Code, resolution A.1049(27)).

#### 2010 October MARPOL amendments

The amendments which entered into force on January 1, include a revised MARPOL Annex III Regulations for the prevention of pollution by harmful substances carried by sea in packaged form, to include changes to the Annex to coincide with the next

# Vice President's Report

January 2014

#### **STCW Medical Certificates**

Now that most of us have the VPDSD (Vessel Personnel with Designated Security Duties) endorsement (or evidence of the qualifications and application for it), here comes the new STCW medical certificate. See story on page 1. The medical certificate is to be carried on board with the Merchant Mariner Credential but is a separate stand-alone document and expires in two years. Now here's the good news: beginning on January 2, 2014, the Coast Guard started issuing medical certificates to holders of STCW endorsements. This means that there is no new physical, no new fee or application required. Mariners with STCW endorsements will simply receive their certificates as part of the regular renewal package. Entry-level mariners are not required to hold medical certificates. Over time the Coast Guard will develop a Designated Medical Examiner Program that will more formally implement the standards within the maritime medical community. If you are a current holder of a valid STCW endorsement and you do not receive your medical certificate by March 31, 2014 contact the NMC at 1 888-I-ASK-NMC.

**APL Coral**: John McNeill, delegate. Significant crew change in New Jersey. Weather making arrivals unpredictable. Clarification on pirate watches and call outs.

APL Korea: Haz Idris, delegate. Checked out clean in Oakland.

APL Philippines: Gus Silva, delegate. In good shape with Bob Strabbing as bosun.

**Florida Voyager**: Terry Black relieved by Jonah Cross as delegate. Ongoing problems around unilateral decision to ignore past practice on callouts. Adjustment talks with captain failed; new Step 2 grievance was filed with management.

**APL Thailand**: Jon Rose, delegate. Investigated problems around command miscommunication. Captain agreed to facilitate and ameliorate. Shore pass problem in Korea continues—restriction to ship claim no good based on notice from Korean immigration.

**Kauai**: Asad Al-Rasusullah, bosun. SUP HQ shipped a bosun and nine sailors to shift this ship again in Sacramento. Same gang also shifted the Matsonia to Matson's new terminal at the former APL berth.

**Maui**: Jack Sheldon, delegate. In good shape in Oakland with Mike El Mobdy as serang.

**Mahimahi**: Chris Bujnowski, delegate. In at Oakland with no problems internal to the ship. There was a robust and wide-ranging discussion on out of area health care changes to the SUP Welfare Plan. All options for alternatives under continuous consideration. Urge all hands to read Gunnar's report in the October issue of the West Coast Sailors which lays out the entire issue in considerable detail.

**APL Agate**: Les Jeziorski, delegate. Clarification on short-handed rate after sailor got off of his own accord while under foreign articles. Because the short-handed situation is not due to the fault of the Company, and because there was no illness or injury, the penalty is paid by the gang (in the form of extra work without additional compensation). Most commercial ships are short-handed even with a full complement. Sailors who can't complete the voyage for any reason, with the exception of illness or injury, do a disservice to themselves, their shipmates and the Union.

Dave Connolly

# Long Beach port board names new president On December 20, the Long Beach Board of Harbor Commissioners, which over-

On December 20, the Long Beach Board of Harbor Commissioners, which oversees the Port of Long Beach, elected Doug Drummond as its new president after the city council, last month, voted to dismiss former board president Thomas Fields. In addition to Drummond's election, the board also voted Rich Dines as vice president and Lori Ann Farrell as secretary. The commission directs the 450-person staff of the harbor department in development and promotion of the port.

Drummond, a former Long Beach city councilman and retired police commander,

update of the mandatory International Maritime Dangerous Goods Code, specifying that goods should be shipped in accordance with relevant provisions.

## Crew of sinking ship rescued in Pacific

Twenty-four crewmembers are safe after abandoning ship approximately 440 miles west of Guam. At 8:00 A.M., on January 19, watchstanders at the Coast Guard Sector Guam Command Center received report of flooding from the 500-foot cargo ship Rich Forest. The Panama-flag vessel, carrying logs enroute to China, experienced flooding in the engine room and subsequent loss of propulsion. The Chinese crew reported the vessel was taking on 160 tons of water per hour and generators had failed.

Coast Guard watchstanders in Guam identified four merchant vessels to provide assistance under the Automated Mutual Assistance Vessel Rescue System. The Coast Guard Cutters Assateague and Sequoia were deployed from Guam but were 18 hours away.

At 1:21 p.m., the Rich Forest's crew entered life rafts and abandoned ship.

At 4:40 p.m., the CS Sunshine completed the rescue of all survivors from life rafts and safely brought them aboard without incident. The crew of the Rich Forest was taken aboard the Assateague when it arrived on scene.

The Rich Forest remains unpowered and adrift. The Coast Guard will be issuing a broadcast notice to mariners to warn any ships in the area of the hazard to navigation and to report the location of the adrift vessel.

was appointed to the five-member commission in 2011. He will take over the president's position after the dismissal of Fields in November, which was based on a recommendation by Mayor Bob Foster, according to the Long Beach Press Telegram.

The city council removed Fields by a vote of 6-3. Before the vote, Foster told the council that he had "lost confidence in Mr. Fields' willingness and desire to harmonize the interests of Long Beach with that of the harbor department." Foster pointed to security-coordination issues, questions about Fields' travel expenses and a lack of consensus on a new headquarters for the port as issues of contention.

At the time, Fields said, "Every decision I have made as a member of the commission has been based on what is best for the port and the city." Two days after the city council's vote, board vice president Nick Sramek resigned from the position he had held since 2007.

Drummond will now oversee a port that has seen a year-to-date growth in cargo volume of 12.1%. The port recently reported that it experienced a 2.5% bump in cargo volume, year over year in November. This result was propped up by a 9.9% increase in exports and a 6.5% increase in imports. For the year, exports are up by 10.8%, and the port has seen 14.4% more import activity.

"It's my goal to promote a spirit of cooperation among the board and the staff of the harbor department," Drummond stated. "The Port of Long Beach is a leading international seaport, and I know that all of the commissioners take our responsibilities here very seriously. We intend to work together to make this port even stronger and better able to compete in the international marketplace,"

# **SUP Branch Reports**

# Seattle

#### December 16, 2013

Shipped 1 Boatswain return to a A-card; 4 Able Seaman jobs shipped and filled with 1 A-card, 2 B-cards and 1 D-registrant, 10 standbys all filled with B cards.

Registered during the period: 7 A cards for a total of 16; 9 B cards for a total of 29; 4 C cards for a total of 13.

#### **Ships Checked**

Matson vessels *MV Manoa* and *SS Maui* called twice in Seattle with little or no problems. We dispatched jobs for the SUP/MFU to the *APL Pearl* and *APL Coral* calling in New Jersey; and the *Cape Henry* crewing up in Portland, Oregon.

I represented the SUP at the following meetings: The King County Labor Council Executive Board meeting; the Alaskan Way Viaduct Replacement Stakeholders Committee meeting; and the Seattle Marine Business Coalition meeting.

I asked for a meeting with King County Labor Council Executive Director David Freiboth and Port of Seattle terminals consolidation consultant Tim Ceis. The Port of Seattle is in preliminary stages of consolidating three of its terminals into one operation. This happened in Oakland several months back and resulted in the loss of jobs to the SUP/MFU. We are keeping a "weather eye" on this.

If you are reading this report and you have documents with a 2014 date on them then I will suggest that you start your renewal processes now. One of our members just competed for an East Coast billet. This member has an expiration date of April 3, 2014 on his passport and he registered in November of 2013. Because this document will expire before this mariner achieves 120 days from his dispatch date, he has been denied employment in his dispatch. Please review all your documents and certifications. We celebrated the end of year holiday party on December 7. We had easily over a hundred pensioners, members and their families. "And a great time was had by all!" Special thanks to Jerry Beavers, Berit Eriksson, Katharine Sweeney, and Karen Loop working the Galley. Danny Ycoy for Pansit and Lumpia. Norm Christianson and Bill Lambert for the liquid refreshments. And the Tony Jones family for the tasty smoked salmon!

> Vince O'Halloran Branch Agent

# Wilmington

#### December 16, 2013

Shipped: Bosun 4, AB 8, AB Maint. 6, OS 1, and standby 43.

Registration: A: 34, B: 31, C: 14, D: 15 Ships Visited

APL China, Leon made R.J. Pfeiffer and APL Philippines, Manukai, APL Singapore, Manulani, Mahimahi, Maunawili.

On November 19, attended the Warner Grand meeting about the Ports of Call Development plans with Bob Bugarian and Paul Neilson. There was no mention of moving the Maritime Museum, but we shall keep a close watch.

Thank you Leon for relieving me over Thanksgiving week.

On December 12, attended the MTD Christmas luncheon at the Whale and Ale. On December 9, attended Alan Lowenthal event at the Sky Room in Long Beach with Bob B. On December 14, the Wilmington Christmas party was a big success. The MM&P Hall was full. Red Oak Barbecue did a great job. Thanks to all who helped with the set up and clean up. A special shout out to MFOW's Mario Barahona who raised money for toys, gave them out to the kids, did the sound/music and emceed.

Mark Hurley, Branch Agent



#### December 16, 2013

Shipped the following jobs in the month of December: 1 AB Day steady, 4 AB Day reliefs, 1 AB Day return, 3 AB Watch steady, 2 AB Watch reliefs 1 OS Watch relief, and 1 AB Maint steady. The shipping jobs were filled by 3 A cards, 6 B cards, 3 C cards, and 1 D card.

Shipped 26 standby jobs. The standby jobs were filled by 1 A card, 4 B cards, 10 C cards, and 11 D cards.

Registered in December: 10 A cards, 7 B cards, 6 C cards, and 1 D card. To date totaled registered: 12 A cards, 13 B cards, 8 C cards, 4 D cards.

#### **Ships Checked**

I visited the Manukai, Maunalei, Manulani, R.J. Pfeiffer, Manoa, Maui, Mokihana, Mahimahi, and the Paint and Rigging gang. All are running smoothly with few or no beefs.

I represented the SUP at the Hawaiian Ports Maritime Council where State Senator Mark Takai introduced himself. Senator Takai is running for the Congressional Representative seat that is being vacated by Colleen Hanabusa, who is running for the Senate this next election. Senator Takai stated that he supports the Jones Act, the Food for Peace program, and a higher minimum wage among other things. Our December holiday lunch was a well-attended affair. There were 35 to 45 SUP and MFOW members and retirees in attendance. A good time was had by all. I hope that everyone's New Year has started off well.

Mike Dirksen, Branch Agent

### Dispatcher's Report

Headquarters—Dec. 2014

#### Deck

Deck
Bosun2
Carpenter0
MM 17
AB
<b>OS</b> 1
Standby
Total Deck Jobs Shipped65
Total Deck B, C, D Shipped 15
Engine/Steward
QMED 0
Pumpman0
Oiler0
Wiper0
Steward0
Cook0
Messman <u>0</u>
Total E&S Jobs Shipped0
Total E&S B, C, D Shipped0
Total Jobs Shipped - All Depts 65
Total B, C, D Shipped-All Depts 15
Total Registered "A" 32
Total Registered "B"26
Total Registered "C" 19
Total Registered "D" 43



### **Headquarters & Wilmington Holiday party**

Above Wilmington Branch holiday party on December 14. At left Headquarters' holiday party, December 20; below: former Wilmington Branch Agent Keith Miller, "Singapore Sid" Idris and Hannu Kurppa (both pensioners); and below left: former S.F. Business Agent Kaj Kristensen, S.F. Bar Pilot Captain Nancy Wagner and Knud Jensen.



