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Legislation to boost U.S.-flag fleet introduced by Congressman Garamendi

Congressman John Garamendi (D-California) introduced legislation on December 7, that would require up to 30% of exports of strategic energy products travel in U.S.-flagged vessels.

Garamendi, Ranking Member of the House Subcommittee on the Coast Guard and Maritime Transportation, has consistently been a strong advocate in Congress for the American Merchant Marine.

His bill, "Energizing American Maritime Act (H.R. 6455)," was offered on a bipartisan basis with Rep. John Duncan (R-Tennessee).

"The state of the American maritime industry is in crisis-level decline," Garamendi says. "After World War II, our oceangoing fleet of U.S.-flagged ships numbered 1,200. Today, it's fewer than 80. This isn't just an economic concern, it's also a national security risk. We can't rely on foreign-flagged vessels to provide the necessary movement of strategic materials in a time of war. Requiring even a minority of strategic energy asset exports to be carried on U.S.-flagged ships will compel us to rebuild the technical skill to man these vessels, and with that come good, high-paying, maritime jobs. We're the greatest nation in the world, but 99% of our trade travels on foreign-flagged ships," Garamendi says. "I believe that needs to change, and we can start right here."

"Enactment of this legislation will both ensure that at least some of the jobs associated with the export of LNG will go to American maritime workers and help guarantee that we will have the civilian maritime manpower needed to support America's national security requirements in time of war or other international emergency," said SUP President Gunnar Lundeborg.

"A healthy U.S.-flag Merchant Marine and a strong shipbuilding industry are tied to our national security and economic prosperity," says Navy League National Executive Director Cari Thomas. "The Department of Defense depends on the U.S. Merchant Marine for over 95% of our national defense sealift needs in times of war or national emergency. Replacing this sealift capacity would cost the Department of Defense billions of dollars. This bill will help ensure we can depend on the U.S.-flag Merchant Marine for years to come. It supports American jobs, national security and our national interests."

Garamendi has also introduced separate legislation, HR 6454, requiring that the same percentage of strategic energy exports be carried on ships that are not only U.S.-flagged but also built in American shipyards.

Congressman Duncan Hunter emphasizes importance of Jones Act in letter to President-elect

Congressman Duncan Hunter (R-California), Chairman of the Subcommittee on Coast Guard and Maritime Transportation, sent the following letter dated December 2, to President-elect Donald Trump:

I write to you today highlighting the importance of United States domestic cabotage laws in keeping American jobs in America. These laws, found in chapter 551 of Title 46, United States Code, and popularly known as the Jones Act, require that merchandise and passengers that move by water between two points in the United States do so on U.S.-built, -owned, -flagged, and -crewed vessels. Simply put, the Jones Act protects and creates good American jobs – jobs that would have otherwise fled our shores. Like so many others, I supported your campaign because of your commitment to protecting American jobs. You can carry out this promise by protecting the Jones Act from attempts, initiated and funded by foreign corporations, to dismantle or repeal it. Throughout our history, the U.S.-flag fleet has provided American jobs, protected do-

mestic economic prosperity, and provided critical sealift capability for our military.

Changes to the Jones Act would result in the elimination of tens of thousands of good American jobs by allowing foreign vessels, vessels constructed in foreign shipyards, or vessels crewed by foreign seafarers to be used in internal U.S. waterways. We simply cannot allow our economy to lose these jobs to foreign shippers and shipbuilding interests. The loss of these jobs will affect every state and will result in the loss of billions of dollars in investments made by Americans and will place at risk hundreds of millions of dollars in federal loans that finance American ship construction. Moreover, losing these jobs would result in a decrease of American wages, taxes and less overall economic activity.

Historically, the Jones Act has allowed the United States to retain a base level of expertise in

shipbuilding, ship operations and maintenance, providing stability to our commercial U.S. waterborne transportation industry. It provides access to U.S.-flag vessels and U.S. merchant mariners that provide critical capabilities to our national defense sealift needs. Changes to the Jones Act would also cause irreparable harm to the U.S. merchant marine, a critical asset to our national defense sealift readiness. Any loss to this commercial base would be both costly and time consuming for the U.S. government to replicate on its own.

As you move forward in your transition, I look forward to working with you on returning American jobs back to America, and in the case of the Jones Act, protecting current American jobs from foreign threats. As you work to reverse the disastrous policies that have led to the outsourcing of American jobs, I urge you to promote policies and retain the Jones Act. The Act helps grow a strong and robust U.S. shipbuilding industry and U.S. mariner workforce."

U.S. approves flag-of-convenience airline over strenuous opposition

The U.S. Transportation Department (DOT) announced on December 9, it will allow Norwegian Air International (NAI) to freely operate its controversial cut-rate air service from the United States.

NAI has been vigorously opposed by U.S. and European air carriers and aviation workers because its "business model" includes hiring flight attendants and pilots at bargain-basement wages in low-labor-cost countries.

The scheme has been likened to the flag-of-convenience (FOC) system that has decimated the national fleets of many

of the world's maritime nations, including the United States.

Transportation labor, U.S. and European airlines and many members of Congress have opposed allowing NAI to operate from the United States, saying it would violate international aviation treaties and undercut labor standards in the U.S. and European airline industries.

The Airline Pilots Association, the AFL-CIO Transportation Trades Department (TTD), American, Delta and United Airlines have fought strenuously since 2013 to block NAI from competing in the U.S. market.

"This decision betrays America's aviation workers by granting a rogue, flag-of-convenience airline a permit to serve the United States," said TTD President Edward Wytkind.

"Unless reversed, it threatens a generation of U.S. airline jobs and tells foreign airlines that scour the globe for cheap labor and lax employment laws that America is open for business."

"DOT's decision has guaranteed a race to the bottom in our TransAtlantic aviation market," said Congressman Peter DeFazio (D-Oregon).

"Norwegian is a virtual airline, set up under a flag of convenience to exploit weak labor laws in other countries like Singapore, save money, and undercut competition."

Congressman Frank LoBiondo (R-New Jersey), called the decision a "slap in the face."

DOT gave tentative approval to the scheme in April and finalized the decision on December 2.

"Regardless of our appreciation of the public policy arguments raised by opponents, we have been advised that the law

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Periodicals postage paid at San Francisco, CA (USPS 675-180)



Peruvian longshore workers lured into drug smuggling are often killed

Drug trafficking from Peruvian ports has risen in recent years as criminal networks groom dockworkers to smuggle packets of cocaine into shipping containers, the country's new anti-narcotics agency, Devida, said last month.

Some 90 dockworkers in Peru have been killed in the past two years in crimes believed to have been linked to smuggling, said Devida's president, Carmen Masias.

Traffickers lure dock workers by getting them hooked on drugs or offering lavish pay to gain access to ships bound for ports around the world, where their counterparts pick up the cocaine in a sophisticated cross-border smuggling ring, Masias said. "When they're no longer useful, they're killed."

Peru is virtually tied with Colombia as the world's biggest cocaine producer and is also a leading exporter of copper, gold, fishmeal and coffee. In recent years, cocaine has been seized from containers holding goods ranging from paprika to industrial ovens, according to local media reports.

Masias credited the trend to expanding corruption as drug mafias grow more powerful. To tackle the problem, the official said, authorities should work with dock workers' Unions and must ensure containers are scanned by trustworthy people before shipment. Exporters can reduce risks by following protocol established by the Business Alliance for Secure Commerce (BASC), a U.S.-based non-profit, Masias added.

Peru's President Pedro Pablo Kuczynski, who took office in July, appointed Masias in September. Masias previously headed Devida for two years under former President Ollanta Humala, who replaced her in 2014 with a close ally. The new government's five-year strategy for combating drugs, to be unveiled next month, will aim at strengthening development work so that farmers do not replant coca crops - the main ingredient in cocaine - following eradication, Masias said.

Masias said about 90% of fields are now replanted with coca after the crops are uprooted by authorities, up from about 40% in 2014. "Eradication goals must be coupled with development goals," Masias said. "They call it the war on drugs, but it's not a war, it's a struggle. It's a process that takes years."

APL volume jumps 9.9% after CMA CGM takeover

American President Lines (APL) announced on November 30, that its volume increased 9.9% during the third quarter on a year-over-year basis to 1.3 million TEUs.

The company attributed the increase to more than 20 collaborations on new and enhanced services with French based parent company CMA CGM (Compagnie Maritime d'Affrètement-Compagnie General Maritime), including slots swaps on the Asian Caribbean Express service.

In the TransPacific trade, APL has taken over the management of the U.S. Line business, a subsidiary within the CMA CGM Group, and as a result, increased its book of business by more than 10%.

In the Asia-Europe trade, APL re-entered the direct India-Northern Europe trade through its India Pakistan Europe service and in the TransAtlantic trade, APL now has access to the West Mediterranean to/from the United States East Coast market through the West-Med Service.

APL saw its operating margin improve by 40.2% per FEU during the quarter

compared to the same period in the previous year. In addition, APL's costs decreased by 15.7% per FEU on a year-over-year basis.

This company attributed those figures to its continuous cost savings efforts, as well as the significant operational synergies gained through its new parent company.

During the last three months alone, 19 vessels have been cross-chartered between APL and CMA CGM to maximize utilization. In addition, more than 6,000 TEUs of containers have been exchanged to save costs.

Leveraging the scale and resources of the combined Group, APL and CMA CGM also cooperated closely to deliver joint procurement synergies and cost savings in wide-ranging areas, including terminal charges, ship management, equipment logistics as well as intermodal and vessel feeder services.

Timely Reminder First quarter 2017 dues are due and payable now!

SUP CONSTITUTION ARTICLE VI

DUES AND INITIATION FEE

Section 1. The initiation fee shall be Sixteen Hundred Dollars (\$1600.00) payable in installments with the sum of One Hundred Dollars (\$100.00) being due and owing upon the member's admission into the Union and the balance of Fifty Dollars (\$50.00) per month for each month or part thereof in SUP-contracted vessels.

The initial installment of One Hundred Dollars (\$100.00) shall accompany the application of membership and the dues shall be One Hundred Fifty Dollars (\$150.00) per quarter, payable in advance.

U.S. approves FOC airline over strenuous opposition

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and our bilateral obligations leave us no avenue to reject this application," Jenny Rosenberg, DOT Acting Assistant Secretary for International Affairs, wrote in the nine-page decision.

In reference to concerns about hiring and employment practices, she said NAI's CEO had offered "a number of voluntary practices" to address them.

Critics were outraged at a decision they warned will allow airlines to mirror the shipping industry, where companies organize in countries with lax regulations and little or no enforcement of labor, safety and environmental laws.

They cite language in the Open Skies agreement between the United States, the European Union and Norway, which says "opportunities created by the agreement are not intended to undermine labor standards or labor-related rights and principles."

DOT ruled, however, that such concerns could not block approval of the flights.

The Association of Flight Attendants-CWA condemned the decision as a double-cross of U.S. workers. "It is a betrayal to hundreds of thousands of aviation workers," said Sara Nelson, the Union's president. "This decision puts a rubber-stamp of approval on the flag-of-convenience model that destroyed over a hundred thousand U.S. shipping jobs," she added.

Captain Tim Canoll, president of the Air Line Pilots Association, said the Union "is considering all options to reverse this action. This flawed action is a lasting legacy of the Obama Administration and demonstrates an egregious lack of support for working men and women in this country," Canoll said.

"This decision is an affront to fair competition and will ultimately result in the loss of U.S. jobs and, potentially, significant losses for the U.S. international

aviation industry."

"On behalf of the nation's several million transportation workers, and especially the men and women who form the backbone of U.S. aviation, I appeal to the President to reverse this decision by the U.S. Department of Transportation," Wytkind said.

"NAI's business model clearly and blatantly violates Article 17 bis of the 2010 U.S.-EU Open Skies Agreement, which states that the 'opportunities created by the Agreement are not intended to undermine labor standards or the labor-related rights and principles contained in the Parties' respective laws.'

"Clearly, a Norwegian-owned airline that is based in Ireland for the purpose of evading Norway's labor and tax laws, and that will hire crews under Asian contracts, is in violation of these explicit labor protections and should be denied entry into our marketplace," Wytkind said.

"With this decision, the Obama Administration has failed to enforce the very labor protection it negotiated and sold as a breakthrough in aviation trade policy."

"It is because of NAI's blatant disregard for our trade laws that Unions in the U.S. and Europe, major airlines, and Republican and Democratic members of Congress have all taken a strong stance against the airline's application," he added.

"Given the disgust with our trade policies expressed loudly by American voters on November 8, it is especially galling that the Administration has ignored the wants of the American people in favor of a rogue, foreign airline. We urge Congress to take whatever action is needed to undo this decision and prevent NAI and similar business models from poisoning the TransAtlantic aviation market."

"Today's decision effectively ushers in a new era in aviation, one in which high-road air carriers will be forced to compete with sweatshop-like airlines," Wytkind said. "Unless this decision is reversed, U.S. aviation workers will become the latest victims of perverse trade policy."

Dues-Paying Pensioners

Donald Cushing	Book #4777
Romaine Dudley	Book #2593
Diane Ferrari	Book #2251
Gerald Ingemansson	Book #0379
Kaj E. Kristensen	Book #3120
Hannu Kurppa	Book #3162
Dave Larsen	Book 19078
Duane Nash	Book #2437
John Perez	Book #3810
James Savage	Book #7488
David Shands	Book #7483
Arthur Thanash	Book #3249

SUP Meetings

These are the dates for the regularly scheduled SUP meetings in 2017:

	Hdq. Branch	
January	9	Tues. 17
February	Tues. 14	Tues. 21
March	13	20
April	10	17
May	8	15
June	Tues. 13	19
July	10	17
August	14	21
September	11	18
October	Tues. 10	16
November	Tues. 14	20
December	11	18

Final Departures

Melvin Armon, Book #3577. Born in California in 1928. Joined SUP in 1953. Died in Vancouver, Washington, November 5, 2016. (Pensioner)

Alfred Griffin, Book #2911. Born in Oklahoma in 1929. Joined SUP in 1962. Died in Lincoln, California, December 2, 2016. (Pensioner)

John Higdon, Book #5685. Born in Tennessee in 1929. Joined SUP in 1951. Died in Tucson, Arizona, November 16, 2016. (Pensioner)

Egon Jorgensen, Book #4055. Born in Denmark in 1924. Joined SUP in 1944. Died November 11, 2016. (Pensioner)

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Outdated infrastructure poses national security risk

By Rear Admiral Mark H. Buzby, Ret.

President-elect Donald J. Trump has rightfully brought infrastructure modernization to the top of our national to-do list. While many Americans focus on the economic benefits of enhancing our infrastructure, there is another important advantage: our enhanced national security.

Mr. Trump's timing could not be better. America's infrastructure, the physical foundation of our society, must be properly maintained and continuously modernized.

Visible transportation-related infrastructure includes highways, bridges, airports, seaports, and rail systems. But equally important - though less-visible - "enabler infrastructure" includes petroleum and natural gas pipeline distribution systems, power generation and distribution networks, water systems and our air traffic control grid, among many others.

Much like the visible ones, these enablers require the immediate attention of policymakers.

Unfortunately, the modernization of many segments of our infrastructure has been a low priority over the years. As a result, some of it has reached the end of its useful life and is serving on borrowed time. As that time runs out, these systems are failing and lives are in danger.

Looking specifically at transportation infrastructure, we depend on it to quickly mobilize assets and respond within our borders to address natural and manmade disasters in peacetime. We also need it in order to move our armed forces and material from garrisons around the country to air and sea ports of embarkation in times of conflict.

Any plan to rectify the situation must be holistic.

For example, rebuilding and modernizing airports will be of limited value without also addressing our aging and increasingly overwhelmed air traffic control system. We have the safest airspace in the world, but it is not the most efficient.

Unnecessary travel delays in the United States cost customers and our economy \$30 billion annually. These delays are the direct result of system-wide inefficiencies resulting from the use of outdated, WWII-era radar technology.

Policymakers should consider reform that establishes a federally chartered, non-profit organization to modernize the system funded by user-fees.

Another example is maritime security. Our country is a maritime nation: over 90% of all goods consumed enter our nation through sea ports. However, 98% of that cargo is carried in ships flying foreign flags - only 2% arrives

in the 78 remaining ships still trading internationally under the U.S. flag.

The same shrinking pool of highly skilled mariners who operate the privately-owned commercial ships also form the pool of talent from which the U.S. Navy's Military Sealift Command fleet of 112 ships and the Maritime Administration's 46 Ready Reserve Force ships draw upon.

Without these government-owned ships, and the 78 commercially-operated ships, our nation's armed forces are denied their principal means of movement and sustainability away from our shores.

Some members of Congress are already on to the national security implications of a shrinking fleet. Recently, Congressman John Garamendi (D-California), Ranking Member of the Coast Guard and Maritime Transportation Subcommittee, introduced H.R. 6455, the "Energizing American Maritime Act," designed to strengthen the U.S. domestic maritime industry. It would require up to 30% of exports of liquefied natural gas and crude oil, what he called "strategic energy assets," be moved in U.S.-flagged vessels. Similar, complementary efforts to grow other areas of our merchant marine fleet and the ports that serve them must be pursued as a national security imperative.

Finally, an efficient infrastructure consumes less energy. Efficient highway design would support new technologies like driverless vehicles, eliminate traffic bottlenecks and increase road capacity saving billions of gallons of fuel every year.

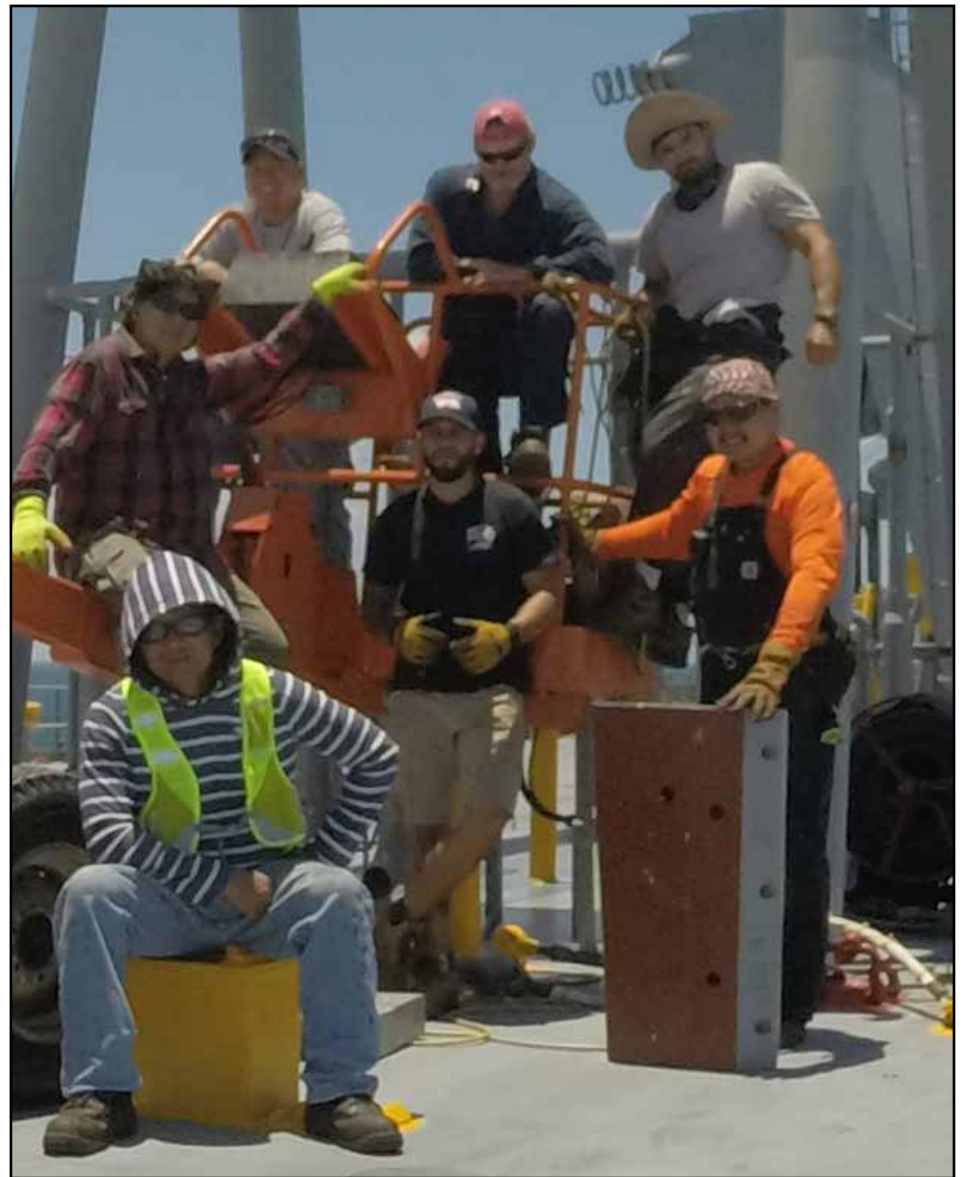
Upgraded inland waterways could also reduce highway volume and permit lower per ton/mile movement of more goods. A more efficient air traffic control system would similarly result in energy savings.

In the coming months as President-elect Trump and the Congress roll up their sleeves and hammer out plans to address this infrastructure imperative, they would do well to remember that such a task will have many competing priorities for where to best spend the budget; every district will certainly have its favorite project.

The trick will be to put those funds to work where they have the greatest benefit to our national security and the safety of our citizens. A tall task indeed.

Rear Admiral Buzby is the president and CEO of the National Defense Transportation Association. He served 34 years in the U.S. Navy, most recently as Commander of the US Navy's Military Sealift Command.

This article was published in The Hill on December 16.



SUP gang in the USNS Watkins reported December 3, that the ship is in good shape. Taking a photo after new woodblocks were installed on the cradles of the Hagglund cranes, from the right: Bosun Cosme Bigno, OS Edwin Baptista, Delegate AB John Lucia, AB Marc Dulay, AB Nestor Pascual, OS Brett Ruan and sitting in front AB Diomedes Vigo.

Global idle container shipping capacity soars to 1.7 million TEU

The idle container shipping fleet has soared to 1.7 million TEU this year, driven up by Hanjin's collapse and from carriers withdrawing ships from service at a rapid rate in an attempt to limit the impact of chronic overcapacity and weak demand.

The number of idle ships has increased from 238 vessels in November 2015 with a combined capacity of about 900,000 TEU to 435 ships aggregating 1.7 million TEU in early November of this year, according to Drewry. At the beginning of 2015, idle containerships comprised just 2.5% of the global fleet, while ships currently laid up around the world now account for 9% of the global fleet.

The growth of the idle fleet may have been rapid, but of the 1.7 million TEU, Hanjin Shipping generated 36% of that capacity during the last quarter when the carrier went bankrupt. Drewry said the former Hanjin-operated fleet accounted for 622,958 TEU, and of this, about 200,000 TEU was for containerships of more than 10,000 TEU from discontinued TransPacific and Asia-Europe services.

"We infer from these changes that, as Hanjin was forced to pull ships from the East-West routes, the other carriers were able to increase the utilization of their existing vessels, as they did not add much replacement capacity. The Hanjin bankruptcy may have created an artificial jump in the idle fleet, until some former Hanjin-operated ships are transferred to operators," Drewry noted.

Around 600,000 TEU of capacity has also been scrapped this year, without which the idle fleet would have been pushed up even higher. Yet such is the surplus vessel overhang that even with around 13% of the global fleet now scrapped or idling, the rebalancing of supply and demand remains elusive.

MM&P & MEBA election results

The election process for the Masters, Mates & Pilots and the Marine Engineer Beneficial Association concluded this month. The following are the results:

Masters, Mates & Pilots

President Don Marcus; Secretary-Treasurer Steve Warse; Offshore Group Vice President Atlantic Ports Don Josberger; Offshore Group Vice President Gulf Ports and Government Affairs Klaus Luta; Offshore Group Vice President Pacific Ports Lars Turner; Vice President United Inland Group Pacific Maritime Region Tim Saffle; Vice President United Inland Group-Great Lakes & Gulf Tom Bell; Vice President Pilots Group George Quick; Vice President Federal Employees Membership Group Randall Rockwood; Vice President Atlantic Maritime Group Stephen Doherty.

Marine Engineers Beneficial Association

President Marshall Ainley; Executive Vice President Adam Vokac; Secretary-Treasurer Bill Van Loo; Gulf Cost Vice President Erin Bertram; Atlantic Coast Vice President Jason Callahan; Wilmington/L.A. Branch Agent Rich Doherty; Seattle Branch Agent Jeff Duncan; Norfolk Branch Agent Tracy Burke; Tampa Branch Agent Adam Smith.

The new four-year term of office for both organizations begins January 1.

MarAd issues warnings for Sulu and Celebes seas

The Maritime Administration has issued an advisory to all U.S.-flag vessels to remain vigilant when transiting the Sulu and Celebes seas in light of recent boardings and kidnappings that have taken place between Sabah, Malaysia and the southern Philippines.

There have been 13 reported kidnappings in this area this year, of which at least nine were reportedly linked to the Abu Sayyaf Group (ASG). Previously, when crewmember kidnappings took place in this area, only towing and fishing vessels were targeted. However, since October 2016, ASG has reportedly targeted two large commercial vessels and a private yacht.

The level of violence has been high during some of these attacks, as was demonstrated on November 7, when kidnappers boarded a yacht, killed one female crewmember, and kidnapped the remaining crewmember. Thus far, no U.S. vessels have been involved in these incidents.

SUP Honor Roll

Voluntary contributions from the membership to the following funds reported in 2016:

Organization/General Fund

Jaime Acosta	50.00	Kelly Eggers	100.00	Jim Linderman	80.00	Emmanuel Rezada	20.00
Abe Acosta	80.00	Leo Endries	50.00	Nicholas Marinovich	250.00	Armando Rodriguez	75.00
Isaac Amissath	10.00	David Eriksen	100.00	Gerry Marshall	10.00	Steven Ross	50.00
Rodolfo Bautista	30.00	Jack Forde	10.00	Steve Messenger	100.00	Stephen Rydberg	200.00
Cosme Bigno	50.00	Justin Foster	10.00	Leo Moore	300.00	Ponciano Siquinia	50.00
Ben Braceros	50.00	David Frieboth	50.00	Ariel Odion	20.00	Dorothy Skinner	10,000.00
Joseph Castege in memory of Francis Castege and George Castege	1200.00	Val Goncharov	50.00	J. P. Root	50.00	Dennis Sumague	10.00
Donald Cushing	75.00	Chris Halberg	500.00	Mark Pfaff	50.00	Peter Winter	75.00
Ronildo Dimatulac	100.00	Tony Jones in memory of Joe Justice	100.00	Richard Reed	50.00	J.B. Winterling	100.00
						Lawrence Wotton	25.00

Sailors' Political Fund

Abe Acosta	80.00	Rolando Gumanas	20.00	Mike Potenti	50.00	William Sullivan	10.00
Jaime Acosta	100.00	Juancho Gutierrez	100.00	Arsenio Purganan	100.00	Steve Swinson	10.00
Saher Ali	100.00	Mark Hargus	200.00	David Purganan	25.00	D. Sylstra	50.00
Robert Austin	50.00	Michael Henderson	200.00	Paul Purugganan	50.00	Tulilo Tautala	65.00
Edwin Baptista	50.00	Jesus Hermsillo	100.00	Ray Ramirez	100.00	Robert Taylor	100.00
Emmanuel Baroman	100.00	Ali Hussein	100.00	Richard Reed	50.00	Bruce Thompson	325.00
Rodolfo Bautista	50.00	David Ibarra	25.00	Robert Reed	40.00	Ken Thueringer	200.00
Dennis Belmonte	100.00	Norhaslan Idris	90.00	Mike Rendes	50.00	Daniel TinTun	100.00
John Benson	100.00	Isnin Idris	200.00	Antonio Respicio	40.00	Brian Toder	25.00
Roger Berioso	25.00	Noel Itsumaru	40.00	Emmanuel Rezada	60.00	Remoni Tufono	60.00
Bill Berry	100.00	Forrest Jackson	100.00	Robert Richard	70.00	Roy Tufono	250.00
Cosme Bigno	50.00	Marcel Javier	100.00	Teo Rojas	50.00	Roger Tupas	30.00
Matt Blom	10.00	Peter Johnsson	80.00	Philip Romei	100.00	Louie Urbano	200.00
Robert Bourne	50.00	Robert Lee Jones	50.00	J.P. Root	50.00	Diomedes Vigo	100.00
Ben Braceros	50.00	Tony Jones	100.00	Steve Ross	150.00	R.H. Watkins	50.00
Quentin Brown	50.00	Monte Kalama	150.00	Stephen Rydberg	200.00	Grant Wegger	100.00
Milton Caballero	30.00	Brendon Keopuhiwa	95.00	Warlito Sapin	60.00	Eric Weintraub	50.00
Brad Cain	100.00	Geoffrey Knight	200.00	G. Sarru	50.00	Erick Weiss	100.00
Marc Calairo	260.00	Kaj Kristensen	50.00	Gregory Schauf	125.00	Phillip Williams	250.00
Rolando Cantiga	10.00	Ernesto Lagramada	140.00	Sam Scott	10.00	Wil Williamson IV	100.00
Alex Capistrano	100.00	John Lapollo	200.00	Ponciano Siquinia	50.00	Peter Winter	175.00
Scott Carson	20.00	Dave Larsen	300.00	Mike Soper	110.00	Aaron Wong	10.00
Cody Clark	50.00	Robert Leeper	210.00	Knud Sorensen	100.00	Bill Wood	200.00
Renaldo Clores	30.00	Chad Leong	10.00	Freeman Stamp	50.00	Lawrence Wotton	200.00
Dave Connolly	1000.00	Bruce LePule	80.00	Richard Stinson	20.00	Jose Ysern	50.00
Kevin Conroy	60.00	Jim Linderman	150.00	Ronnel Sugui	10.00		
Thomas Cook	100.00	Gunnar Lundeborg	600.00				
Jennifer Corner	50.00	Martin Machado	20.00				
Philip Coultan	50.00	Raoul Macalinao	50.00				
Douglas Crute	50.00	Juan Magana	50.00				
Isagani Cruz	50.00	John Mancilla	50.00				
Donald Cushing	100.00	Nick Manessiotis	75.00				
Jeanine Davis	100.00	Joe Mantanona	160.00				
Colin Dewey	200.00	Brian McCarthy	20.00				
Ronildo Dimatuilac	50.00	E. McDonald	10.00				
Mike Dirksen	200.00	Mike McLavy	100.00				
Marc Dulay	100.00	Patrick Meagher	50.00				
Ramon Duran	50.00	Dave Mercer	160.00				
Joseph Eckert	30.00	Steve Messenger	100.00				
Mike ElMobdy	50.00	Adrian Minty	70.00				
Leo Endries	100.00	Camilo Moreno	50.00				
David Eriksen	100.00	Jason Morris	50.00				
David Fadoul	100.00	Robyn Mundell	50.00				
Diane Ferrari	250.00	Dennis Murphy	100.00				
Justin Foster	10.00	Napoleon Nazarro	20.00				
Teodoro Gadais	50.00	Michael O'Boyle	50.00				
Austin Gahan	10.00	Vince O'Halloran	600.00				
Joel Gallo	65.00	Ariel Odion	50.00				
David Garcia	180.00	William Ofthus	100.00				
Art Garrett	100.00	Scott Oliphant	50.00				
Gary Gelfgren	50.00	Herbert Oquendo	10.00				
Marvin Glasgow	75.00	Ricky Pangan	200.00				
Valeriy Gonchardv	50.00	Edwin Pastolero	40.00				
Allen Gonzalez	60.00	John Perez	300.00				
Juan Gonzalez	80.00	Jesper Pfeil	40.00				
David Green	55.00	Jordon Polon	25.00				
Dustin Grobschmit	100.00	Jack Post	50.00				

19-meter North Atlantic wave sets new world record

An expert committee convened by the World Meteorological Organization has established a new world record significant wave height of a massive 19 meters (62.3 feet!) measured by a buoy in the North Atlantic.

The wave was recorded February 4, 2013 by an automated buoy in the North Atlantic ocean between Iceland and the United Kingdom at approximately 59° N, 11° W. The agency said the wave followed the passage of a very strong cold front, which produced winds of up to 43.8 knots (50.4 miles per hour) over the area.

The WMO Commission for Climatology's Extremes Evaluation Committee, with scientists from Great Britain, Canada, the United States of America and Spain, classified the new record as "the highest significant wave height as measured by a buoy".

"This is the first time we have ever measured a wave of 19 meters. It is a remarkable record," said WMO Assistant Secretary-General Wenjian Zhang. "It highlights the importance of meteorological and ocean observations and forecasts to ensure the safety of the global maritime industry and to protect the lives of crew and passengers on busy shipping lanes."

The WMO says the previous record wave height of 18.275 meters (59.96 feet) was measured on December 8, 2007, also in the North Atlantic.

The buoy which recorded the wave is a part of the United Kingdom Met Office's network of Marine Automatic Weather Stations, used to complement ship-based measurements and satellite observations which monitor the oceans and forecast meteorological hazards on the high seas.

"We need high quality and extensive ocean records to help in our understanding of weather/ocean interactions," said Zhang. "Despite the huge strides in satellite technology, the sustained observations and data records from moored and drifting buoys and ships still play a major role in this respect."

A separate record – that of the highest significant wave height as measured by ship observation – was measured in February 2000 in the Rockall Trough, also in the North Atlantic between the UK and Iceland.

West Coast Sailors

Abe Acosta.....	60.00
Jaime Acosta.....	50.00
Abe Acosta.....	20.00
Zackary Altman.....	25.00
Martin Baccari.....	25.00
Mike Bailey.....	25.00
John Ban.....	25.00
Robert Barbee.....	25.00
Archie Bickford.....	75.00
Donald Bohle.....	25.00
Roy Bradshaw.....	25.00
Stanley Branch.....	25.00
Brad Casey.....	1000.00
Lee Cherry.....	25.00
Edwind Ching.....	25.00
Renaldo Clores.....	20.00
Cal Cunningham.....	25.00
Jeff Curtis.....	25.00
Donald Cushing.....	25.00
Ronildo Dimatulac.....	100.00
Jay Dillon.....	10.00
Thomas Dougherty.....	25.00
Robert Doyle.....	100.00

A. Sandy Earle in memory of Bill McAndrew.....	50.00
Leo Endris.....	50.00
David Eriksen.....	100.00
Thor Erikson.....	40.00
Michael Fox.....	50.00
David Frieboth.....	50.00
M. Fukano.....	25.00
Marvin Glasgow.....	25.00
Juancho Gutierrez.....	100.00
John Hamann.....	25.00
Rex Harper.....	25.00
James Heaton.....	25.00
Phil Howell.....	25.00
Anthony Ingegneri.....	25.00
Frances James.....	25.00
Vibeke Jensen.....	200.00
Les Jeziorski.....	40.00
Kevin Johnson.....	25.00
Arthur Kardinal.....	25.00
Brandon Keopuhiwa.....	50.00
James Kolm.....	25.00

James Kula.....	25.00
Norman Kurtz.....	25.00
Thomas Larkin.....	60.00
Martin Machado.....	10.00
Charles Maringer.....	25.00
Clifford Matican.....	25.00
Joseph Meehan.....	50.00
Rolando Mendoza.....	20.00
David Mercer.....	10.00
Trev Motlow.....	25.00
Dave Munroe.....	25.00
Dennis Murphy.....	100.00
John Nannini.....	25.00
William Ofthus.....	50.00
John Perez.....	75.00
Michael Pflieger.....	50.00
Frank Portanier.....	50.00
Jack Post.....	25.00
Angelo Rassano.....	25.00
Emmanuel Rezada.....	20.00
Rizal Rillo.....	25.00
Armando Rodriguez.....	75.00

Manuel Rodriguez.....	25.00
Teo Rojas.....	40.00
Stephen Rydberg.....	75.00
Gonzalo Sarra.....	50.00
George Schemoon.....	25.00
Carl Schou.....	75.00
Kai Sorensen.....	25.00
Eugene Souza.....	25.00
Freeman Stamp.....	50.00
Jim Stelpstra.....	40.00
Eve Sullivan.....	10.00
David Sylstra.....	50.00
John Thompson.....	25.00
David Wainwright.....	25.00
Richard Walsh.....	85.00
R.H. Watkins.....	50.00
Charles Weber.....	25.00
Frank Whitman.....	25.00
Tom Wilson.....	25.00
Elston Wong.....	20.00
William Wood.....	10.00
Lawrence Wotton.....	25.00
Bud Yost.....	25.00

Foreign-flag cruise line fined \$40 million for pollution

Princess Cruise Lines has made history by receiving the largest-ever criminal penalty involving deliberate vessel pollution. The line has agreed to plead guilty to seven felony charges stemming from its deliberate pollution of the seas and intentional acts to cover it up.

Princess will pay a \$40 million penalty and plead guilty to charges related to illegal dumping of oil contaminated waste from the Bermuda-flag *Caribbean Princess* cruise ship. The plea agreement was announced this month in the Southern District of Florida in Miami, Florida.

Princess, headquartered in Santa Clarita, California, is a subsidiary of Carnival Corporation, the world's largest cruise company, headquartered in Miami. However, all of Carnival's ships fly foreign flags to avoid U.S. taxes and the requirement to employ U.S. merchant mariners.

As part of the plea agreement with Princess, cruise ships from eight Carnival cruise line companies (Carnival Cruise Line, Holland America Line, Seabourn Cruise Line and AIDA Cruises) will be under a court supervised Environmental Compliance Program for five years. The program will require independent audits by an outside entity and a court appointed monitor.

The charges to which Princess will plead guilty concern the *Caribbean Princess* cruise ship which visited various U.S. ports in Florida, Maine, Massachusetts, New Jersey, New York, Puerto Rico, Rhode Island, South Carolina, Texas, U.S. Virgin Islands and Virginia.

The U.S. investigation was initiated after information was provided to the U.S. Coast Guard by the British Maritime and Coastguard Agency (MCA) indicating that a newly hired engineer on the *Caribbean Princess* reported that a so-called "magic pipe" had been used on August 23, 2013, to illegally discharge oily waste off the coast of England. The whistleblowing engineer quit his position when the ship reached Southampton, England. The chief engineer and senior first engineer ordered a cover-up, including removal of the magic pipe and directing subordinates to lie.

The MCA shared evidence with the U.S. Coast Guard, including before and after photos of the bypass used to make the discharge and showing its disappearance. The U.S. Coast Guard conducted an examination of the *Caribbean Princess*

upon its arrival in New York City, New York, on September 14, 2013, during which certain crew members continued to lie in accordance with orders they had received from Princess employees.

According to papers filed in court, the *Caribbean Princess* had been making illegal discharges through bypass equipment since 2005, one year after the ship began operations. The discharge on August 26, 2013, involved approximately 4,227 gallons, 23 miles off the coast of England within the country's Exclusive Economic Zone. At the same time as the discharge, engineers simultaneously ran clean seawater through the ship's overboard equipment in order to create a false digital record for a legitimate discharge.

Caribbean Princess used multiple methods over the course of time to pollute the seas. Prior to the installation of the bypass pipe used to make the discharge off the coast of England, a different unauthorized valve was used.

When the Department of Justice investigative team conducted a consensual boarding of the ship in Houston, Texas, on March 8, 2013, they found the valve that crew members had described. When it was removed by Princess at the department's request, it was found to contain black oil.

In addition to the use of a magic pipe to circumvent the oily water separator and oil content monitor required pollution prevention equipment, the U.S. investigation uncovered two other illegal practices which were found to have taken place on the *Caribbean Princess* as well as four other Princess ships – *Star Princess*, *Grand Princess*, *Coral Princess* and *Golden Princess*.

One practice was to open a salt water valve when bilge waste was being processed by the oily water separator and oil content monitor. The purpose was to prevent the oil content monitor from otherwise alarming and stopping the overboard discharge. This was done routinely on the *Caribbean Princess* in 2012 and 2013.

The second practice involved discharges of oily bilge water originating from the overflow of graywater tanks into the machinery space bilges. This waste was pumped back into the graywater system rather than being processed as oily bilge waste.

Neither of these practices were truthfully recorded in the oil record book as

required. All of the bypassing took place through the graywater system which was discharged when the ship was more than four nautical miles from land. As a result, discharges within U.S. waters were likely.

In a factual statement to the court, Princess also admitted to the following:

- Illegal discharges took place on the *Caribbean Princess* dating back to 2005, one year after the vessel started operations, as part of a conspiracy to violate the Act to Prevent Pollution from Ships and to obstruct justice.

- Different bypass methods were used over the course of time, including a "magic pipe" used to transfer oily waste overboard.

- After learning that an engineer had blown the whistle, senior ship engineers dismantled the bypass pipe and instructed crew members to lie.

- Prior to the MCA boarding, the chief engineer and senior first engineer ordered crew members to lie. Following the MCA's inquiry, the chief engineer held a sham meeting in the engine control room to pretend to look into the allegations while holding up a sign stating: "LA is listening." The engineers present understood that anything said might be heard by those at the company's headquarters in Los Angeles, California, because the engine control room contained a recording device intended to monitor conversations in the event of an incident.

- When using the magic pipe, engineers processed sea water through the oily water separator in order to create a digital record to account for the missing waste.

- Shore-side management failed to provide and exercise sufficient supervision and management controls to prevent or detect criminal violations by *Caribbean Princess* crew members.

- A perceived motive for the crimes was financial – the chief engineer that ordered the dumping off the coast of England told subordinate engineers that it cost too much to properly offload the waste in port and that the shore-side superintendent who he reported to would not want to pay the expense.

- Princess engineers on the *Caribbean Princess* indicated that the chief engineer responsible for the discharge on August 26, 2013, was known as "broccino corto" (a person with short arms), an Italian expression for a cheap person whose

arms are too short to reach his wallet. Some expressed the same opinion of the shore-side superintendent.

- Graywater tanks overflowed into the bilges on a routine basis and were pumped back into the graywater system and then improperly discharged overboard when they were required to be treated as oil contaminated bilge waste. The overflows took place when internal floats in the graywater collection tanks got stuck due to large amounts of fat, grease and food particles from the galley that drained into the graywater system.

- Graywater tanks overflowed at least once a month and, at times, as frequently as once per week. Princess had no written procedures or training for how internal gray water spills were supposed to be cleaned up and the problem remained uncorrected for many years.

- Princess discovered "stub pipes" along the entire length of the ship for the apparent purpose of pumping graywater overflows into the bilges back into the graywater system and subsequently overboard.

According to papers filed in court, Princess has undertaken remedial measures in response to the government's investigation, including upgrading the oily water separators and oil content monitors on every ship in its fleet and instituting many new policies.

If approved by the court, \$10 million of the \$40 million criminal penalty will be devoted to community service projects to benefit the maritime environment; \$3 million of the community service payments will go to environmental projects in South Florida; \$1 million will be earmarked for projects to benefit the marine environment in United Kingdom waters.

John Kaltenstein, senior policy analyst for Friends of the Earth, said: "The entire industry needs to be investigated, and the ships violating the law should be banned from U.S. waters for at least one year. This egregious case of wrongdoing shows just how critically we need federal agency and congressional oversight of cruise industry pollution practices.

"Princess's behavior also shows that we cannot take this polluting industry's claims of environmental responsibility at face value even when they install the most current pollution control technologies, as systems can be avoided or deactivated so that untreated waste flows right into the sea."

NTSB releases transcript of *El Faro* bridge audio

On December 13, the National Transportation Safety Board released a transcript of the bridge audio recording from the con/ro *El Faro*'s final voyage.

The long-awaited, 500-page transcript covers audio from the morning of her departure on September 30, 2015 through the master's order to abandon ship at 0729 the next day.

The NTSB and the U.S. Coast Guard are conducting an in-depth investigation into the sinking, which claimed the lives of all 33 mariners aboard. The transcript and related documents released this month will inform a third and final round of USCG hearings into the loss of the vessel.

A full edition of the transcript may be found at (<http://dms.ntsb.gov/pubdms/search/hitlist.cfm?sort=0&order=1&CurrentPage=1&EndRow=15&StartRow=1&docketID=58116&textSearchT=audio>); the NTSB's summary and a link to related documents is available at (<http://www.ntsb.gov/news/press-releases/Pages/PR20161213.aspx>).

At 2314 on September 30, the third mate called the master to warn of a closer-than-expected approach to the intensifying hurricane. "On the 4X8 watch, we'll be twenty-two miles from the center," the mate said. "With . . . max one hundred [knots] with gusts to one-hundred and strengthening so – the option that we do have . . . is at 0200 we could head south."

However, the third mate told the AB on watch that the master expected *El Faro* to pass safely through the southern half of the storm, and he intended to hold course.

"I trust what he's saying," the third mate said. "It's just being twenty miles away from hundred knot winds – this doesn't even sound right."

At 0120, following news that the storm had been upgraded to a Category 3 hurricane, the second mate called the master and offered to turn "straight south" at 0200, a course which would have taken the *El Faro* into the lee of Crooked Island in the Bahamas.

Instead, the second mate told the AB that the master had instructed her to make a course of 116, towards the storm, and to "run it."

An intensifying storm

By 0330, the weather was worsening. The chief mate arrived to relieve the watch at 0344, and the second mate informed him that the master had been called.

The captain arrived on the bridge at 0409, and he suggested that the force of the storm was not a cause for concern. "Well this is every day in Alaska," he said. "I mean we're not even rollin'. We're not even pitchin', we're not pounding."

At 0440, the chief engineer called the bridge and requested a course change to relieve the vessel's angle of heel.

The master instructed the AB to put the vessel into hand steering and to hold a heading of 065, then 050.

The captain and the chief mate discussed the "oil sumps" and "oil levels."

"Just the list. The sumps are actin' up. To be expected," the captain said at 0444.

The alternate chief engineer (a supernumerary) came up to the bridge and discussed lube oil levels with the master. "[You hit] the low pressure alarm on the lube oil . . . level of the engine . . ." he said.

Over the course of these evolutions, the chief mate reported that the barometric pressure was falling, from 970 millibars at 0424, 960 millibars at 0445 and down to 950 millibars at 0522.

"Feel the pressure droppin' in your [ears] just then?" the captain said at 0449.

While they could gauge barometric pressure, the bridge team was unable to get a precise reading of the wind speed because they lacked an anemometer. "We don't know. We don't have [any] anemometer," the master said.

Flooding in a cargo hold

At 0543, the captain received a call. "We've got a problem . . . Three hold? . . . I'll send the mate down," he said.

"Go down to three hold," he instructed the chief mate. "Start the pumping right now [probably just] water."

The mate departed the bridge, and on scene he reported by radio "a hold flooded on the starboard side . . . about knee deep in here."

The captain indicated that the cause of the flooding was from a scuttle that had "popped open."

To address the starboard list resulting from the flooding, the captain ordered the engineering watch to "pump [ballast] from the starboard ramp tanks to port." He asked for more turns, and told the helmsman to come to a heading of 350, intending to put the wind on the starboard side and use its force to counteract the list.

It worked, and at 0557 he said that "we got a nice port list" and asked the engineers to stop transferring ballast.

At 0601, the chief mate reported that crewmembers had closed the leaking scuttle.

Loss of propulsion

At 0613, the captain said that he believed the ship had just lost "the plant."

At 0633, he said that "they're gettin' that boiler back up . . . they're gettin' lube oil pressure up."

Ten minutes later the captain indicated that engine RPM was coming back up again, but at 0648 he told the AB on watch that there were no turns on the shaft.

In a call to the company's designated person ashore at 0707, he said that "the engineers cannot get lube oil pressure on the plant therefore we've got no main engine."

In addition, he said that there was a "considerable amount of water in three hold" and that the vessel had a dangerous list. The scuttle had been secured, he said, but the water level was not going down despite efforts to pump out the compartment.

The *El Faro*'s final minutes

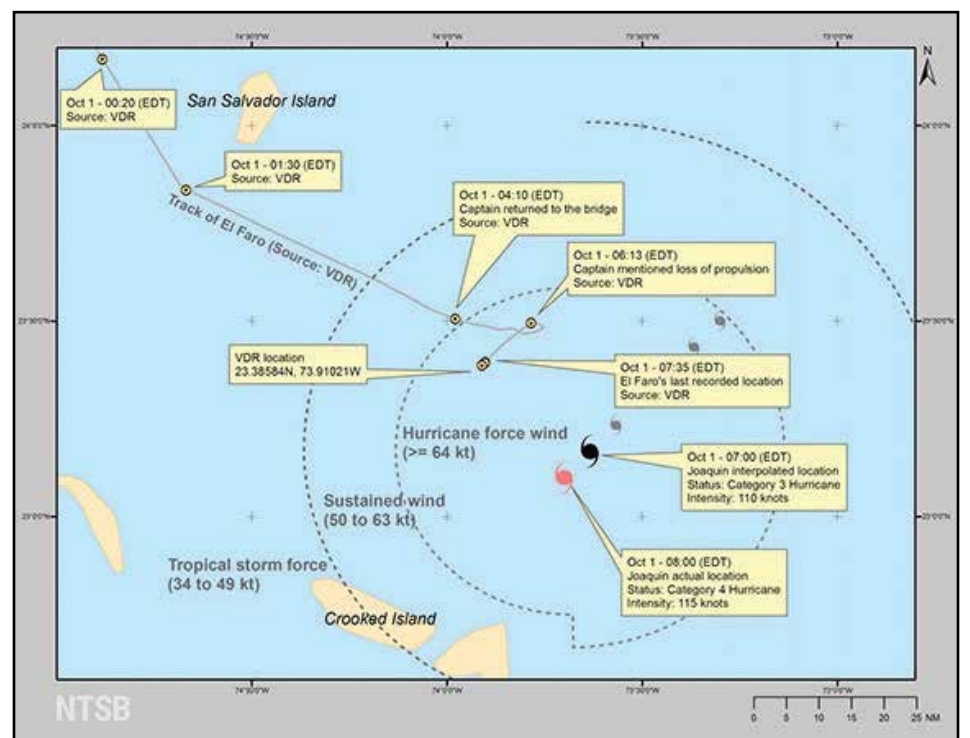
At 0714, the second mate relayed a message on continued problems in the engine room. "[From] the uh chief [engineer] . . . he's just telling us the same thing. He can't do anything with this list."

At 0715, the chief mate reported that "something hit the fire main" in an unidentified cargo hold and ruptured it, and that the "water level's rising." The master instructed the engineering watch to secure the main from within the engine room.

The chief mate said that he had closed a watertight door to four deck and would not be reopening it.

At 0729 the captain ordered the crew to abandon ship. "Tell 'em we're goin' in," he said. "Bow is down, bow is down."

For the remaining minutes of the recording, the captain attempted to help the helmsman to get out of the bridge; the AB called for a line or a ladder, but neither were at hand. Both men were within range of the bridge microphones until the end.



Trump nominates Chao for Transportation Secretary

President-elect Donald Trump has nominated former Secretary of Labor Elaine Chao to become the next Transportation Secretary. Chao also served as Assistant Secretary of Transportation during the George H.W. Bush administration.

"Secretary Chao's extensive record of strong leadership and her expertise are invaluable assets in our mission to rebuild our infrastructure in a fiscally responsible manner," Trump said in a statement. "She has an amazing life story and has helped countless Americans in her public service career."

"The President-elect has outlined a clear vision to transform our country's infrastructure, accelerate economic growth and productivity, and create good paying jobs across the country," Chao said. "I am honored to be nominated by the President-elect to serve my beloved country as Transportation Secretary."

Chao is married to Senate Majority Leader Mitch McConnell (R-Kentucky). After she is confirmed by the U.S. Senate, Chao will take charge of the agency responsible for carrying out Trump's campaign promise to refurbish the nation's roads and bridges.

After the announcement, the Seafarers' International Union of North America welcomed the selection of Chao, who has served as Deputy Administration of the Department of Transportation's Maritime Administration and as Chair of the Federal Maritime Commission.

"There is nobody better qualified to be Secretary of Transportation than Elaine Chao. Throughout her time in government, Elaine Chao has long been a steadfast friend to the SIU and to maritime labor," said Michael Sacco, President of the Seafarers. "The industry has no better supporter than Elaine Chao, and she has stood up to defend the Jones Act, the Maritime Security Program, cargo preference and the other key programs that keep our industry alive."

"She understands the importance of providing jobs to America's working families, and she has seen firsthand the value of the United States Merchant Marine to our nation's defense and prosperity. We look forward to working with her again," continued Sacco.

"Elaine Chao is very well qualified to lead the Department of Transportation as Secretary. I support the President-elect's choice and expect the Senate Commerce Committee will expeditiously consider this nomination once the new Congress begins in January," said Senator John Thune (R-South Dakota), Chairman of the Senate Committee on Commerce, Science and Transportation in a statement. "From safely integrating unmanned aircraft into our skies to supporting development of self-driving vehicles, the Department of Transportation has responsibility for overseeing fundamental changes happening in our transportation system."

"As a former Secretary of Labor and Deputy Secretary of Transportation, as well as a former chair of the Federal Maritime Commission, Elaine Chao has a distinguished record of serving the nation, and has already shown she can work effectively with members on both sides of the aisle," said Thune. "Her leadership will benefit the Department of Transportation in guiding investment in our infrastructure and making transportation safer and better for the public."

Notable & Quotable

Andy Puzder is President-elect Donald Trump's pick for Secretary of Labor. Puzder, CEO of the company that owns Carl's Jr. fast food restaurant chain, once touted the effectiveness of replacing humans with machines, as they are "... always polite, they always up-sell, they never take a vacation, they never show up late, there's never a slip-and-fall, or an age, sex or race discrimination case."

ESU Office Assignments

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

ESU NEWS

DECEMBER 2016

Official Publication of the Exxon Seamen's Union

2016 ESU election results

As previously announced the 2016 elections for the ESU various positions has taken place over the last two months. The positions up for election were: Vice/President, Deck, Engine and Steward Trustees, and Ships Representatives for the *Liberty Bay* and *American Progress*. All positions except the Ship Representative *American Progress* position ran unopposed.

Ensuring fairness and integrity, as in past elections and in accordance of the ESU Constitution and Bylaws, the election was held under the auspice of the American Arbitration Association (AAA). The ESU office received the election results from the American Arbitration Association (AAA) in New York, on December 6, 2016. The ESU mailed a total of 73 ballots to the membership and the AAA office received a total of 50 ballots.

The results are as follows:

Vice President/Treasurer - Leo DeCastro - Unopposed

Deck Trustee - Jeff Harris - Unopposed

Engine Trustee - Will Ackley - Unopposed

Stewards Trustee - Don Picou - Unopposed

Ship Representative *American Progress* - Michael Harrison - 25
Wilbert Jackson - 25

Ship Representative *Liberty Bay* - Joseph Buffington - Unopposed

In this election cycle, as you can see for the first time ever in the ESU history we have a tie, so therefore, as per the ESU Constitution and By-Laws, we will have a runoff election between the *American Progress* candidates, starting on December 15, 2016 and will end on February 13, 2017. During this short period the Ship Representative position for the *American Progress* will be filled by ESU members on a temporary basis. The Union appreciates the willingness of all candidates that demonstrated their support by stepping forward to serve the Union and the ESU membership. Additionally, the ESU extends our thanks to those members that demonstrated their support for the Union by exercising their right to vote.

Joseph Sena retires

QMED Joseph Sena retired on December 1, with over 29 years of Company service. Joe began his Exxon service on October, 1987 with his first assignment as Utilityman aboard the *Exxon Boston*.

After deciding his career path, Joe quickly got his sea time for his Oiler endorsement and was first promoted to that position (1990) and then later to QMED-Oiler.

During Joe's career, he sailed throughout the fleet where he made many friends.

Joe's last vessel assignment was on the *S/R American Progress* where the crew honored his accomplishment and contributions with a traditional shipboard retirement ceremony. With his retirement hard hat in place, Joe departed the vessel in Tampa where his wife Domingas and son Jason picked him up from his last vessel assignment.

On behalf of the membership, the ESU wishes Joe fair winds and following seas and the best of luck in his retirement years. We thank him for his many contributions and support of the ESU and wish all the very best as he begins a new chapter in his life.



Ship reports

S/R American Progress

ESU Board officer Leo DeCastro visited the vessel at ExxonMobil Refinery in Beaumont, TX on December 10. The vessel was loading gasoline and diesel cargoes for discharge at Tampa and Port Everglades, FL. Tentatively, the next load port is scheduled back to Beaumont, TX. Larry Miles is filling in with the Ship Rep. duties and reports everything going well. As previously announced the vessel as of January 1, 2017, will not have a regular ship rep. until the ESU concludes the runoff election due to a tie vote.

Eagle Bay

The vessel continues its run between Valdez and Southern California. It looks like for the near future it will continue with discharges at Tesoro 121 in Long Beach, CA. Regular Ship Rep. Thor Floreen aboard and aside from longer tours, he reports everything is going okay. On December 17, two new MS joined the vessel in Long Beach a welcomed addition by the crew.

Liberty Bay

Vessel was northbound to Valdez at the time of print. It looks like the next couple trips south, the vessel is slated to alternate between San Francisco Bay Area and Long Beach, CA. Regular Ship Rep. Joe Buffington on board and reports no problems. The *Liberty* will also see a new MS addition next time south in San Francisco.

The ESU News is written and edited by the Exxon Seamen's Union.

New mariners join the fleet



During the last day of orientation, SeaRiver President Tracey Gunnlaugsson took the opportunity to visit and take a picture with the new mariners before they departed for fleet assignments. From left to right: Fleet Manning Manager Tim Young, John Erlich, Eric Villalobos, Waverly Moore, SeaRiver President Tracey Gunnlaugsson, Peter Skerys, ESU Vice President Leo DeCastro and Fleet Manager Jason Martin.

The first new hire orientation since 2008 was held at the Sea River office in Spring, Texas, December 12 through December 15. Four new Maintenance Seaman were added to the active rolls and we are happy to report that all four have joined the ESU.

Upon completion of the orientation class three of the four new members were sent directly to ships in the fleet. We welcome John Erlich, Peter Skerys, Erick Villalobos and Waverly Moore. Of special note is the return of previous member Waverly Moore. The membership welcomes Wave back and we thank him for his continued support of the ESU. If you encounter one of these new members on your present tour or in the near future, please take time to show them the ropes and make them feel welcome.

The orientation, conducted by Marsha Shorts and different department heads, covered not only the obligatory company policy overviews and benefits, but also a host of shipboard operational topics, including safety and occupational health.

ESU Vice President Leo DeCastro met with the group on the first day December 12, and presented an overview of the Exxon Seamen's Union and the importance of participation in and support of the Union. Upon completion of the presentation all four pledged their support to the ESU. Leo then returned the last day to answer any questions and also discuss any topics with the new group. SeaRiver President Tracey Gunnlaugsson also visited with the group and wished them a safe and successful career with SeaRiver.

Fleet Manning head Tim Young mentioned to the ESU that SeaRiver is in the process of interviewing additional candidates and working with those that have already been provided a contingent offer and his targeting the last week in January 2017 to host another new hire group for orientation in Spring.

2017 ESU Holiday schedule

As per the CBA, Article IV, the following is the schedule of holidays for 2017. Holidays are observed on the day designated by federal guidelines, i.e., the Federal Uniform Holiday Act.

New Year's Day	Monday, January 2
Martin Luther King Day	Monday, January 16
President's Day	Monday, February 20
Memorial Day	Monday, May 29
Independence Day	Tuesday, July 4
Labor Day	Monday, September 4
Columbus Day	Monday, October 9
Veteran's Day	Friday, November 10
Thanksgiving Day	Thursday, November 23
Christmas Day	Monday, December 25

Happy Holidays to All ESU Members and their Families

EXXON SEAMEN'S UNION

Founded March 28, 1941

Affiliated with the Sailors' Union of the Pacific

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President/Secretary John Straley

Vice President/Treasurer Leo DeCastro

Deck Trustee Jeffrey Harris

Board Member at Large Don Picou

Engine Trustee William Ackley

Board Member at Large Ein Cooley

Steward Trustee Joel Mitchell

Top House Republican unveils plan to gut Social Security

President-elect Donald Trump distinguished himself on the campaign trail as the rare Republican candidate promising not to cut Social Security and Medicare.

But Republicans in Congress have other plans for the two popular social insurance programs – and they are wasting no time rolling them out.

Congressman Sam Johnson (R-Texas), Chairman of the House Ways and Means Committee's Subcommittee on Social Security, released a plan on December 8, to "reform" Social Security that would drastically reduce benefits. The bill would make the program less of a universal earned benefit and more of a means-tested safety net that aims only to provide basic support to the poorest retirees and disabled workers.

In order to close Social Security's long-term funding gap, Johnson would make Social Security's benefit formula less generous for all but the lowest earners, rapidly raise the retirement age and reduce the annual cost-of-living adjustment, among other changes designed to save money.

Johnson also proposes changes that would cost the program money, like an increased minimum benefit for the poorest retirees — provided they have a long history of covered employment — and the elimination of income taxes on Social Security.

Under Johnson's plan, a middle-class 65-year-old claiming benefits in 2030 — one with average annual earnings of about \$49,000 over 30 years of covered employment — would experience a 17% benefit cut relative to what the program currently promises them, according to the Social Security Administration's chief actuary. A 65-year-old with the same earnings history claiming benefits in 2050 would experience a 28% benefit cut compared to current law.

Due to the retirement of the Baby Boomer generation, Social Security faces financial strain in the coming years. If Congress fails to act to either reduce the program's obligations or increase its revenue by 2034, a 21 percent across-the-board benefit cut will automatically take effect.

Conservatives like Johnson favor closing this funding gap by reducing benefits.

Many progressives would rather address it entirely through revenue increases, such as lifting the cap on earnings subject to Social Security taxes. President Barack Obama and the vast majority of congressional Democrats have recently even coalesced behind expanding benefits to address the inadequacy of Americans' other sources of retirement income.

Linda Benesch, a spokeswoman for Social Security Works, a progressive organization supporting benefits expansion, noted that for many workers, Johnson's plan would cut benefits more than if Congress did nothing and allowed the automatic cuts to take effect. Benesch dismissed the increase in benefits for the poorest earners, which she said would be insignificant relative to the large cuts for middle-class earners and tax cuts for wealthy retirees.

"A minimum benefit increase is a staple of a lot of Republican plans to cut benefits because they want the veneer of increasing benefits," she said. "But that's just a stalking horse for what this plan would do over time, which is to turn it into a poverty-level benefit and not an earned benefit."

That would in turn risk reducing popular support for Social Security, which enjoys widespread backing thanks to its status as a universal wage replacement program, Benesch argued.

Protecting Medicaid, Benesch said, "is going to be a lot harder precisely because it is [a] benefit targeted to poorer folks rather than a universal benefit."

House Speaker Paul Ryan (R-Wis.), who has built a career on ambitious proposals to scale back social insurance programs, has repeatedly said he plans to prioritize overhauling Medicare. Although Trump hasn't weighed in on the matter since the election and Senate Republicans have signaled their wariness at the prospect, Congressional Democrats are already expressing their excitement at the idea of a fight over the popular seniors' health insurance program.

But Congressman Richard Neal (D-Massachusetts), the incoming ranking Democrat on the Ways and Means Committee, seized on Johnson's plan as a sign that Ryan has already changed his mind.

"As Congressional Republicans prepare to dismantle Medicare and Medicaid, it now appears that Social Security has been added to the Republicans' chopping block," Neal said in a statement. "America's seniors will be alarmed to hear that the top Republican on this important Subcommittee quietly put forward a plan to drastically cut Social Security benefits for millions of seniors."

"Democrats will fight any effort to undercut Social Security, just as we will fight any plan to replace Medicare with a voucher," he added.

Membership and Ratings Committee's Report

The Committee met on December 1, 2016, and found the following members eligible for advancement in seniority and rating stamps in the various departments:

Name and Membership Number	Seatime	Rating	Seniority
Daniel Lloyd #19476	1 Year	A.B.	B
Edwin Narvasa #19477	1 Year	A.B.	B
Christian Ortiz #19478	1 Year	O.S.	B
Gertrude Vego #19479	1 Year	A.B.	B
Benjamin Linn #19480	1 Year	O.S.	B
Bosun Stamp - None			

Membership and Ratings Committee's Report: M/S to concur in the Committee's report. Carried unanimously. Membership and Ratings Committee: Paul Fuentes #2239, Kate Healey #C- 2531, and Jack Rouse #C-0303

Welfare Notes

December 2016



*The SUP Welfare Plan
Wishes You a Happy and Healthy
Holiday Season*

*Michelle Chang-Administrator
Patty Martin
Michael Jacyna
Virginia Briggs
Wilma Alday
Berit Eriksson*

SUP Welfare Plan Telephone: 415-778-5490 or 1-800-796-8003

A handful of nuts a day

A handful of nuts a day may be enough to reduce the risk for death from heart disease and other ills.

In a review combining data from 20 prospective studies, researchers found that compared with people who ate the least nuts, those who ate the most reduced the risk for coronary heart disease by 29%, for cardiovascular disease by 21% and for cancer by 15%.

There was also a 52% reduced risk for respiratory disease, 39% for diabetes and 75% reduced risk for infectious disease in those who ate the most nuts.

Most of the risk reduction was achieved by eating an average of about one ounce of nuts a day, the amount in about two dozen almonds or 15 pecan halves. There was little decrease in risk with greater consumption. The study is in *BMC Medicine*.

"It has been shown in randomized trials that higher nut intake can reduce triglycerides and cholesterol in the blood," said the lead author, Dagfinn Aune, a research fellow at Imperial College London. "And nuts are high in fiber, antioxidants and polyunsaturated fats."

Unless a person is allergic to them, Dr. Aune continued, eating nuts has little risk and considerable potential benefits.

"It's not large amounts that are needed," he said, "so it's a small dietary change that should be feasible for most people."

Keel laid for *Titanic* replica

Construction of a life-size replica of the doomed passenger ship *Titanic* began in China's southwestern Sichuan province last month with a keel-laying ceremony and fireworks to mark the occasion. It is part of Star Energy Investment Group's plans for a tourist resort along the Qijiang River in Sichuan's Daying County.

It will eventually come with a simulation of the iceberg collision that sank the original ship in the Atlantic Ocean on April 15, 1912.

Steven Star Chief Executive Su Shaojun said it should not be strange that the replica is in China. "It's not like a certain country owns this thing. Just like the U.S. can make (the animation film) *Kung Fu Panda* and that's very common. For China, the *Titanic* represents something of universal value." Su said the project, which is above its original slated cost of one billion yuan (\$145.31 million), would probably be finished by the end of 2017.

Hollywood production designer and producer Curtis Schnell, who is working on the project as its *Titanic* design expert, said despite criticism online that a tragedy in which some 1,500 people died was being resurrected for tourism purposes, Seven Star has recognized the venture in a "very respectful way." "We're trying to get as close as we can," he said. "We are not building every room in the ship, by any means, but the shell of the ship and the exteriors will be quite accurate, there will be interior rooms to be able to tour and see from the standpoint of historical accuracy."

The wrong choice for Labor Secretary

Working in fast-food is no picnic. The industry is infamous for grindingly low pay and labor law violations. Yet Andrew Puzder, the chief executive of the company that operates Carl's Jr. and Hardee's, has been chosen by President-elect Donald Trump as labor secretary.

Here is the record at those restaurants. When the Obama Labor Department looked at thousands of complaints involving fast-food workers, it found labor law violations in 60 percent of the investigations at Carl's Jr. and Hardee's, usually for failure to pay the minimum wage or time and a half for overtime.

The central problem for workers today is persistently low pay, even at profitable companies with highly paid executives. Mr. Puzder, however, has been adamantly opposed to a meaningful increase in the federal minimum wage, which is \$7.25 an hour. Mr. Trump has said he could stomach an increase to \$10, which is still abysmal. Ideally, a labor secretary, who is supposed to have a deeper understanding of this issue, would push for much more. But Mr. Puzder has said that a big raise would mean fewer jobs for workers starting out. Even if that was true, and the evidence suggests otherwise, there are millions more who would benefit from raising the minimum wage.

Mr. Puzder has also been a scathing critic of efforts by the Obama Administration to update the rules for overtime-pay eligibility, which have not been fully adjusted for inflation since the mid-1970s. His argument boils down to an assertion that employees prefer a low salary and the "prestige" of a managerial title – even though they would be entitled to overtime if they remained hourly employees. His opposition to the new overtime rules is especially troubling given that it would be his task as labor secretary to defend the rules, which have been challenged in court.

Mr. Puzder has also blamed the Affordable Care Act for causing a "restaurant recession." There is no evidence that health care reform has harmed job growth, and there is certainly no evidence of a restaurant recession.

Mandatory sick leave has been criticized by Mr. Puzder as well. He says it would be an undue burden on businesses. Yet in all other advanced economies, paid sick days, paid parental leave and similar policies are rightly seen as investments in human capital, as necessary as investments in plants and equipment.

For Mr. Puzder, being pro-business seems to mean being anti-worker. That makes him the wrong choice for labor secretary.

New York Times editorial: December 9.

South Korea to invest in port and marine development

South Korea's Ministry of Oceans and Fisheries (MOF) has been granted an all-time high budget of 4.96 trillion Won (\$4.25 billion) for 2017. This up from the 4.88 trillion Won the MOF was granted in 2016.

Among budgets that have been fixed, 2.12 trillion Won will go towards South Korea's fishery industry and 1.76 trillion Won has been set aside for ports and shipping. The marine environment sector will get 227 billion Won; the science and technology sector will get 227 billion Won; the science and technology sector will get 193.7 billion Won while 674.1 billion Won has been allotted to the general marine sector.

During a parliamentary review, it was decided that the shipping and port sectors would get 19 billion Won more than the amount the government had put forward.

The ongoing construction of Saemangeum New Port will be given 41.4 billion Won up 10 billion Won from what the government initially scheduled.

Busan port, currently undergoing expansion and upgrading, will be given 90.4 billion Won, while Gwangyang, South Korea's second largest container port, will be given 20.9 billion Won.

The port of Gunjang, currently undergoing capital dredging, has been accorded 16 billion Won, while Mokpo port was

allotted 9.7 billion Won. The budget for the construction of a cruise terminal in Seogwipo, Jeju island, was also set at 13.3 billion Won, up from 9.3 billion Won that the government tabled.

In addition, 17.5 billion Won was allocated for strengthening the disaster response capabilities of South Korean ports to provide better protection against floods and tsunamis.

The MOF's budget also provided for 400 million Won in the form of government subsidies for the salvage of the *Sewol* ferry, which capsized in the Yellow Sea in April 2014, leaving 304 people dead or missing. The salvage has been hampered by rough seas and weather, and the difficulties of hoisting the ferry intact. As a result of this, the scheduled completion of the salvage work has been pushed back from July this year to some time in 2017.

A total of 7.6 billion Won was allotted to marine tourism projects, including the restoration of tidal flats in Suncheon Bay and the construction of Pohang Light-house Museum.

An MOF official said, "As the budget for 2017 has been set at the highest level in such difficult financial conditions, we'll implement it without any hesitation and strive to create growth for the oceans and fisheries sector to stimulate the economy."

Maritime consolidation continues: Maersk to buy Hamburg Süd

Maersk Line, the world's largest ocean carrier, has agreed to acquire Hamburg Süd from the German conglomerate Oetker Group.

Maersk said the deal will boost its share of the world container fleet from 15.7% to 18.6%, and will grow its capacity from 3.14 million TEUs to 3.76 million TEUs if the deal is completed.

The acquisition, which is subject to a final agreement and regulatory approvals, was described as an all cash deal, but the price Maersk is paying was not revealed.

Maersk said it "expects to communicate further details following the approval of the sales and purchase agreement expected early in the second quarter of 2017."

In addition, Maersk said, "The acquisition is subject to a satisfactory due diligence, final agreement and subject to regulatory approval in amongst others China, Korea, Australia, Brazil, the United States and the European Union." Maersk said it will work closely with the authorities and expects the regulatory process to last until the end of 2017.

Hamburg Süd is the world's seventh largest container shipping line, and a leader in the North-South trades. Its services to both Latin America and Australia/New Zealand connect with North America, Europe and Asia.

The family-owned Oetker Group noted, "Global container liner shipping has been generating losses for years in the face of rising overcapacity. Nevertheless, Hamburg Süd has performed well compared with its competitors. It has grown clearly in excess of the market and has financed the expansion of its network as well as the ship and container fleet largely from its own cash flow.

"The owners and management of Hamburg Süd must, however, recognize that active participation in the consolidation process of the sector currently taking place would entail an even higher capital requirement. This would, in addition, make the balancing of risk within the Oetker Group business portfolio more cumbersome," Oetker Group added. "The owners of the Oetker Group have therefore decided to put Hamburg Süd in the hands of new owners."

Seren Skou, the chief executive of A.P. Moller Maersk and Maersk Line, said his company plans a "light touch integration model" and will maintain Hamburg Süd as a separate brand as it has done with Safmarine in the Africa trades. He said the company believes it can create an "unmatched product" in the Latin America reefer trades and be able to achieve major cost synergies by combining the networks of the two companies and reducing variable costs because of increased buying power.

Skou said the deal would be a boost for Maersk's current intra-America brand Sealand.

On the East-West trades, he said Hamburg Süd's volumes would be included in the 2M Alliance, which is comprised of Maersk and Mediterranean Shipping Company.

Skou said the deal was in line with a plan Maersk announced on September 22 to grow market share both organically and through acquisitions. "The acquisition of Hamburg Süd is in line with our growth strategy and will increase the volumes of both Maersk Line and APM Terminals," he said.

Hamburg Süd operates 130 container vessels with a capacity of 625,000 TEUs. It has 5,960 employees in more than 250 offices across the world and markets its services through Hamburg Süd and its two sister companies – CCNI, based in Chile, and Alianca, based in Brazil.

The trade information service *Panjiva* speculated the deal could face regulatory hurdles.

Panjiva said the addition of Hamburg Süd's business on the East-West trades would only modestly increase the 2M share. On a proforma basis, 2M's share on U.S. import trades would grow from 15.1% to 16.8% if Hamburg Süd was part of Maersk today, still less than the proforma share of the OCEAN Alliance – comprised of CMA CGM (including APL), COSCO, Evergreen and OOCL – slated to commence operations next April. Still, it said the U.S. Federal Maritime Administration is under pressure to take a stricter stance on alliances.

"Another market of concern is Latin America, one of Hamburg Süd's strongest market areas," *Panjiva* said. "In Brazil it held a 25% share in the third quarter of shipments into and out of the country.

"The addition of Maersk's 10.6% to make a total 35.65% share may make the combination unacceptable to Brazilian authorities," *Panjiva* added. "This could be solved, however, by disposals or commitments on market share. There has already been a process of consolidation of market power among larger rivals, the largest of whom would be MSC at 20.2% with the top five jointly holding 79.9%."

In 2015, Hamburg Süd had revenues of about \$6.73 billion, with \$6.26 billion stemming from its container line activities and the remainder from its bulk shipping business, which Maersk is also acquiring.

"The timing of this transaction is, we believe, right from the point of view of the cycle, the state of the industry and not least our own position," Skou said. He said that Maersk has become the most competitive carrier, with industry-leading margins driven by lower costs and a strengthened information technology and process platform.

Hamburg Süd provides about half the annual revenues of the family-owned Oetker Group, which is also involved in the food and beverage business.

August Oetker, Chairman of the advisory board of Dr. August Oetker KG, the management holding company of the Oetker Group, said, "Giving up our engagement in shipping after an 80 year-long ownership in Hamburg Süd was not an easy decision for my family. We are very confident, though, to have chosen the best of all possible partners. Maersk will preserve and grow Hamburg Süd and what the brand and the whole organization and a highly dedicated workforce stand for: reliable and high quality logistical services to our customers."

**ATTEND YOUR MONTHLY
SUP UNION MEETINGS!**



SUP President's Report

December 12, 2016

SAN FRANCISCO BAR PILOTS

After two days of bargaining, the SUP reached agreement with the San Francisco Bar Pilots on new contracts covering Marine Personnel and Dispatchers on November 30, subject to general membership approval.

The SUP Negotiating Committee was comprised of Shawn Boland, SUP Delegate Mike Koller, Adian Minty, Leo Moore, Steve Ross, Mike Sposeto, Steve Swinson, Louie Urbano, Erick Weiss, Vice President Dave Connolly and your secretary.

The Bar Pilots were represented by Port Agent Joe Long, Pilots Sam D'Aloisio and Dave McCloy, Marine Superintendent Chris Johnson and Human Resources Director Claudia Hernandez.

SUP members, who operate the Bar Pilots' five boats, and the Dispatchers, who are covered under separate contracts, agreed prior to the start of bargaining, that the goal for both groups was a three or four-year Agreement with percentage increases for each year.

It should be noted that over the last two Agreements with the Pilots, the SUP agreed to two wage freezes due to adverse economic conditions that negatively affected the income of the Pilots.

In this round of bargaining, the Pilots proposed three-year Agreements with minimal percentage increases each year. However, this proposal was tied to "medical cost sharing" whereby those employed by the Pilots would have to kick back 10% of the premium costs contributed to the SUP Welfare Plan by the Pilots for Marine Personnel back to the Pilots on a monthly basis. The same proposal would also affect the Dispatchers who are covered under a Pilot's plan. The SUP Negotiating Committee rejected this regressive proposal which the Pilots subsequently withdrew.

The Pilots also proposed that the operators of the *P/V Pittsburgh* be required to drive Pilots to Stockton in the company van. The Union objected to this proposal and the Pilots withdrew it. In addition, the Pilots proposed deleting language regarding Union approval in making work assignments for Marine Personnel, which the Union rejected and the Pilots withdrew.

All other proposals of the Pilots involved non-substantive clean-up language to the Marine Personnel Contract, which the Union agreed to.

At the conclusion of bargaining the SUP and the San Francisco Bar Pilots agreed to the following which cover Marine Personnel and Dispatchers:

Term of Agreement: January 1, 2017 through December 31, 2019

Wages and Overtime Increases:

- 4% effective January 1, 2017
- 2.5% effective January 1, 2018
- 2% effective January 1, 2019

Cost of Living Adjustment (COLA): Updated to reflect the term of the new Agreement.

Dispatchers: Increased the holiday premium pay from \$200 per six-hour shift to \$250.

The SUP Negotiating Committee unanimously recommends membership ratification of both "no-concession" Agreements with the San Francisco Bar Pilots.

TRANSPORTATION TRADES DEPARTMENT, AFL-CIO

As a member of the Executive Committee of the Transportation Trades Department (TTD), AFL-CIO, attended and participated in a meeting of the Committee on December 8, in Washington, D.C.

The post-election gathering provided an opportunity to assess the new political landscape in Washington and lay the groundwork for a unified effort under a Trump Administration. The discussion focused on boosting investment in transportation and protecting the rights of working people against a torrent of political attacks designed to weaken Unions.

The Executive Committee took aim at the Department of Transportation's December 3, decision to grant Norwegian Air International, a rogue, flag-of-convenience airline, a permit to serve the United States.

As TTD President Ed Wytkind stated: "Unless reversed, this decision threatens a generation of U.S. airline jobs and tells foreign airlines to scour the global for cheap labor and lax employment laws that America is open for business.

Norwegian Air's business model clearly and blatantly violates the 2010 U.S.-European Union Open Skies Agreement, which states that the "opportunities created by the Agreement are not intended to undermine labor standards or the labor-related rights and principles contained in the Parties' respective laws."

Clearly, a Norwegian-owned airline that is based in Ireland for the purpose of evading Norway's labor and tax laws, and that will hire crews from Thailand, is in violation of these explicit labor protections, and should be denied entry into the United States. With this decision, the Obama Administration has failed to enforce the very labor protection it negotiated and sold as a breakthrough in aviation trade policy.

It is because of Norwegian Air's blatant disregard for global trade laws that Unions in the United States and Europe, major airlines, and Republican and Democratic members of Congress have all taken a strong stance against the airline's application. Given the disgust with our trade policies expressed loudly by American voters on November 8, it is especially galling that the Obama Administration has ignored the wants of the American people in favor of a rogue, foreign airline.

The TTD urged Congress to take whatever action is needed to undo this decision and prevent Norwegian Air and similar business models from poisoning the TransAtlantic aviation market.

The Executive Committee also sent a clear message that it stands with United Steelworkers Local 1999 President Chuck Jones in his battle to save more jobs at Carrier in Indianapolis, Indiana. Jones who has championed the jobs and rights of his members for years, called out the President-Elect because the number of jobs saved at Carrier is 730, not the more than 1,000 the President-Elect claimed. Trump responded by attacking Jones.

Tell it to Congress! Encourage your Senator to approve the Merchant Marine of World War II Congressional Gold Medal Act

The House of Representatives has passed and sent to the Senate the Merchant Marine of World War II Congressional Gold Medal Act (HR 2992).

The companion Senate bill, S.2989, sits with 13 cosponsors. Time is very short in the 114th Congress to try and get this bill passed. Hopes are grim for getting any legislation reintroduced in the 115th Congress, since Congresswoman Janice Hahn (D-California) is retiring from Congress and Congresswoman Susan Brooks (R-Indiana) is unsure about the task of reintroducing the Gold Medal bill. Please go to <https://www.congress.gov/members> today to urge your senator to support S.2989. The legislation would honor World War II merchant mariners as a group with the Congressional gold medal.

It directs the Speaker of the House and the President pro tem of the Senate to arrange for the presentation of a Congressional gold medal to the U.S.-flag merchant marine of World War" in recognition of its "dedicated and vital service."

The Senate bill was introduced in June by Sen. Lisa Murkowski (R-Alaska).

As the *West Coast Sailors* went to press, the bill is cosponsored by Senators Thad Cochran (R-Mississippi), Dan Sullivan (R-Alaska), Maria Cantwell (D-Washington), Joe Donnelly (D-Indiana), Kirsten Gillibrand (D-New York), Robert Wicker (R-Mississippi), Mike Rounds (R-South Dakota), Sheldon Whitehouse (D-Rhode Island), Thom Tillis (R-North Carolina), Susan Collins (R-Maine), Tammy Baldwin (D-Wisconsin), Kelly Ayotte (R-New Hampshire), Mark Kirk (R-Illinois), Dan Coats (R-Indiana), Roy Blunt (R-Missouri),

"America is great because of our freedom to speak out and the right of working people to come together in strong Unions to demand fairness and living wages on the job," Wytkind said. "When our elected leaders stifle dissent and bully people like Chuck Jones for simply speaking out for the men and women he's elected to lead, we not only rip at the fabric of our nation – we eviscerate rights for which people died."

CHEVRON SHIPPING COMPANY

The SUP will begin bargaining with Chevron on January 16, at Headquarters, for a new Agreement covering all unlicensed personnel in the company's U.S.-flag fleet.

The current Agreement expires on January 31.

HOLIDAYS

Christmas

All SUP halls will be closed on Monday, December 26, since the holiday falls on a Sunday this year.

New Year's

All SUP halls will be closed on Monday, January 2.

Jack Hall Day

The Honolulu Branch will be closed on January 3, in observance of this ILWU Local 142 holiday. The holiday is applicable to all Matson vessels in Hawai'i ports plus the Paint & Rigging gang and members working under the Extra Maintenance Agreement.

Martin Luther King, Jr. Day

All SUP halls will be closed on Monday, January 16. This is a holiday under all SUP agreements except Foss Maritime Company.

ACTION TAKEN

M/S to ratify both Agreements for the San Francisco Bar Pilots. Carried unanimously.

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

Gunnar Lundeberg

David Vetter (R-Louisiana), Pat Roberts (R-Kansas), Bill Cassidy (R-Louisiana), Marco Rubio (R-Florida), Shelley Capito (R-West Virginia), Barbara Mikulski (D-Maryland), Amy Klobuchar (D-Minnesota), Martin Heinrich (D-New Mexico), Ed Markey (D-Massachusetts), Angus King (I-Maine), Chris Coons (D-Delaware), Cory Booker (D-New Jersey), Jeanne Shaheen (D-New Hampshire), Brian Schatz (D-Hawai'i), Mazie Hirono (D-Hawai'i), Dianne Feinstein (D-California), Bill Nelson (D-Florida), Jack Reed (D-Rhode Island) and Richard Burr (R-North Carolina).

"Merchant mariners were instrumental during World War II, providing valuable support transporting troops and vast quantities of war material needed to fight and win that war," Murkowski said in introducing her bill.

"Their dedication and vital service to our nation cannot be overstated, and recognizing them through this bill is the least we can do to honor the efforts and service of merchant mariners."

During World War II, merchant mariners were vital in providing transport of military and civilian personnel as well as combat equipment, fuel, food, commodities and raw materials pivotal in the Allied victory.

The Merchant Marine bore a higher per-capita casualty rate than any other branch of the U.S. Armed Forces during World War II except for the marines. Thousands were killed, wounded or went missing, and hundreds were held as prisoners of war.

Despite their honorable service in wartime, the men of the Merchant Marine were not accorded veteran status until decades after the end of World War II, in 1988.

Japan's "Big 3 carriers" get government aid

Japan is extending and expanding tax incentives for the country's shipping industry to strengthen its financial health to help Japanese shipping lines through the turbulence in the industry.

With ship-operating costs set to increase as the market remains weak, the tax reforms provide another release valve for growing financial pressure. Japan's Big Three of MOL (Mitsui O.S.K. Line), NYK, (Nippon Yusen Kabushiki Kaisha) and 'K' Line (Kanusaki Kisen Kaisha) recently recorded a collective half-year operating loss of \$484 million and reported revenue declines of more than 20% year-over-year. They also downgraded their full-year earnings forecasts.

Japan's shipping industry had sought favorable government tax reforms to provide them more leeway for navigating the market downturn, and the government has obliged. The largest beneficiaries will be MOL, NYK, and 'K' Line, which in October announced plans to merge their container operations so they could remain competitive within an industry newly dominated by large consolidated carriers. [Editor's Note: See the November *West Coast Sailors*.]

"Japanese oceangoing shipping firms will make further efforts to try and maintain their international competitiveness," said Taizo Kudo, Chairman of the Japanese Shipowners' Association in a statement. Kudo is also Chairman of NYK Line.

Coincidentally, the measures take effect in April 2017, when the Big Three, along with Hapag-Lloyd, launch the Transport High Efficiency Alliance, pending regulatory approval.

Kudo in the statement cited three key tax measures that will benefit Japan's shipping companies: the "special depreciation system," the "reduction entry system," and the expansion of Japan's tonnage tax system.

The special depreciation system enables a company to depreciate its vessels at a higher rate than usual. This means the company can book more depreciation costs and reduce its taxable corporate income.

With the reduction system, companies can deduct government subsidies for the acquisition of ships or other fixed assets from their original cost, which enables the companies to defer subsidy-related tax payments. Typically, such subsidies are treated as taxable revenue.

The special depreciation and reduction entry systems for environmentally friendly ships were set to expire in March, but the special depreciation system will be expanded and extended for two years, and the reduction entry system will be extended for three years.

The tonnage tax reforms will expand Japan's tonnage tax system to cover more foreign-registered vessels owned by overseas subsidiaries of Japanese companies. The system, introduced in 2009 for Japanese-registered and -owned ships, enables shipping companies to pay corporate taxes based on the net tonnage of their fleet, instead of actual profits. To be eligible for that system, Japanese shipping companies had to submit detailed plans to increase the number of Japanese registered vessels and sailors.

In 2013, the system was expanded to cover foreign-registered vessels that are owned by overseas subsidiaries of domestic ocean-going shipping firms after Japan's shipping companies said the system had put them at a disadvantage amid tough international competition.

The language in the 2017 tax bill on the tonnage tax system says, "vessels that are effectively owned by Japanese ship owners through their overseas subsidiaries if they meet certain requirements."

Japan's tonnage tax system lags behind similar systems in other major shipping nations, which cover all operated vessels.

In order to enable Japanese ocean-going shipping firms to compete on a level playing field with their foreign rivals, the nation's tonnage tax system must be further expanded to cover more vessels, the shipowner's association has said.

Ports of L.A./Long Beach post opposite cargo results for Nov.

While the Port of Los Angeles posted positive container throughput results for the month of November compared to a year prior, the Port of Long Beach reported declines.

During the month, the Port of Los Angeles handled 877,564 TEUs, surpassing all-time volumes for a Western Hemisphere port for the second straight month, and climbing 23.6% from last November, the port said Wednesday.

Imports through the Port of Los Angeles reached 437,050 TEUs in November, while exports totaled 177,359 TEUs, year-over-year increases of 21.9% and 24.9%, respectively. The port's empty container volumes surged 25.6% from last November to 263,154 TEUs.

Meanwhile, the Port of Long Beach handled 534,308 TEUs in November, tumbling 13.8% from a year earlier.

Imports through the port of Long Beach reached 270,610 TEUs in November, while exports stood at 120,897 TEUs, year-over-year declines of 11.8% and 3.1%, respectively. Empty container volumes fell 24.2% from last November to 148,801 TEUs.

The Port of Long Beach said it has faced challenges this year due to ocean carriers merging, reorganizing into new alliances and realigning routes. In addition, the port has been hindered by the insolvency of South Korean ocean carrier Hanjin Shipping, which filed for bankruptcy at the end of August. Hanjin represented 12.3% of the port's containerized cargo and held a 54% stake in Total Terminals International (TTI), the operator of Pier T.

Vice President's Report

December 2016

What is the threat to Unions during a period of Republican led government? Put simply it's right-to-work legislation and regulation. Right-to-work changes can take many forms. Congress could pass national right-to-work legislation that could include thousands of anti-union provisions including for example the outright prohibition of collective bargaining for certain workers or that could preempt state laws such as California's \$15 per hour minimum wage, paid sick days, paid family leave, or even the 8-hour day. The new administration could repeal existing executive orders that protect workers' rights, such as the Obama orders that increased the threshold for overtime, that prevent federal funds from anti-union contractors, and that require worker retention. A conservative appointment to the Supreme Court could decide against a mandatory agency fee in a case called *Friedrichs* dealing a blow to public Unions and Union strength in general. Another possibility is the repeal of Davis-Bacon which guarantees a prevailing wage for the construction trades on federal projects. While the danger for maritime Unions is still uncertain (See President's Report beginning on page 1 of the November *West Coast Sailors*), the threats listed above are not theoretical; the new Congress is expected to move fast on some or all of them and many others. Accordingly, on December 14th I attended an emergency meeting of northern California labor leaders called by Art Pulaski, the Executive-Secretary-Treasurer of the California Labor Federation to help identify these threats and prepare for the defense.

Also, in addition to the routine duties of the Front Office, I prepared for and participated in negotiations with the San Francisco Bar Pilots, and checked the following ships:

APL Coral: Ali Hussein relieved Spencer Thompson as delegate. Clarification on stores, signing on after 1700. Under Section 41(g) work between 1800 and 0300 with a minimum of three sailors for four hours or more qualifies for the "midnight meal" or one hour of OT in lieu of a meal. In good shape on the Asian shuttle run with Forrest Jackson doing a bang up job as bosun.

APL China: Janan Johair, delegate. Clarification on 2 hour minimum followed by a let go.

APL Belgium: Dennis Sumague, delegate. Working on watch during a two-person watch is not overtime unless the work is tying up or letting go after 1700 and before 0800.

Maunawili: Jim Stelpstra, bosun. Less expensive VSAT satellite phone now available to all crew in C-9's and China ships. Greasing deck winches is maintenance of "auxiliary gear" and SUP jurisdiction covered under Section 4 Scope of Work of the SUP Work Rules. In good shape on the China run.

Manulani: Reggie Clark, delegate. Clarification on lodging for defective shower: not payable when there is individual access to alternative shower.

USNS Watson: Mike Thomsen, bosun. All alone in RAV shipyard status in Philadelphia, Thomsen did an outstanding job assisting the overhaul. Called for FOS activation crew traveling on December 9th and 10th. Another remarkable performance of a very old just in time delivery system of highly qualified seagoing labor known as the SUP hiring halls.

USNS Charlton: Limneo Bation, delegate. After Charleston load out arrived in New Jersey shipyard and paid off without a problem.

USNS Watkins: Cosme Bigno, bosun, reported clearing COI, ABS and Patriot internal audit with flying colors.

USNS Waters: Randy Cruz, delegate. AB Rory Swank found deceased ashore. Swank took to his craft with serious professionalism. He was a good shipmate.

USNS Pomeroy: Mark Acord, delegate. Investigating anonymous discrimination claim.

USNS Sisler: Robert Leeper, delegate. In good shape in distant Indian Ocean outpost.

USNS Dahl: Eduardo Zepeda, delegate. In good shape in the Western Pacific. Reliefs underway.

USNS Gordon: Allen Gonzales, delegate. Delays in Alabama yard providing some considerable employment for activation crew. Apparently, the new home port will be Newport News.

Mississippi Voyager: Terry Black, delegate. Discussion on upcoming negotiations and some persistent overtime problems under investigation.

Florida Voyager: Matt Frazier, delegate. Food beef investigated and resolved. Members are reminded to use the grievance procedure to address problems.

San Francisco Bar Pilots: Mike Koller, delegate. New three year deal in place. Good discussion with the entire crew about all workplace issues. See President's Report.

Dave Connolly

Oakland exports rose in Nov.

The Port of Oakland announced this month that its containerized export volume increased 11.5% during the month of November compared to the same time period last year. The increase was the third straight month of double digit export growth and the tenth time exports have increased on a year-over-year basis this year. The Port said exports are surging despite a strengthening dollar that makes American products more expensive overseas, due to strong Asian demand for California farm products, wine and other beverages is spurring the rally, the Port said.

"If you listen to conventional wisdom, exports should be facing headwinds," said Port of Oakland Maritime Director John Driscoll. "But the clamor overseas for high-quality American commodities hasn't peaked, so our volumes keep climbing."

The port said it exported the equivalent of 85,915 TEUs last month, the second highest monthly total for the 2016 calendar year. Through the first 11 months of the year, Oakland export volume is up 10.3% compared to the same time period a year ago. Containerized imports through November are up 4.5% and total loaded container volume have increased 7.4%. The port said exports have now accounted for 52% of its loaded cargo volume for the calendar year.

SUP Branch Reports

Seattle

November 21, 2016

Shipped during the period: 2 Boat-swains jobs shipped and filled by B seniority members; 7 Able Seaman jobs dispatched to 5 B-cards and 2 C-cards; 9 standbys to 6 A-card and 3 B cards.

Registration: 5 A cards for a total of 12; 10 B cards for a total of 26; and 6 C cards for a total of 11.

Ships Checked

Matson vessels *MV Manoa* and *SS Mahimahi* called twice in Seattle with little or no problems. The *APL Agate*; and the Patriot Contract vessels: *USNS Soderman*; *USNS Watkins*; *USNS Charlton*; *USNS Pomoroy* all called for crew replacements.

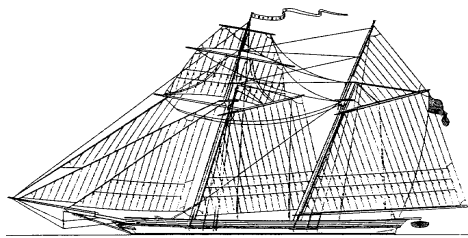
I represented the SUP at the following meetings. The King County Labor Council Executive Board meeting and the King County Port Coalition meeting.

Attended a meeting with Port of Seattle CEO Ted Fick and Director of Port of Seattle Labor Relations Dave Freiboth. Director Fick outlined an aggressive plan to utilize Port properties for industrial revitalization. He stated that only maritime uses would be considered for any modernization projects.

The SUP/MFOWW was invited to speak at the opening ceremony for the new rebuilding of the Seattle Maritime Academy; a Seattle Central Community College campus in Ballard. I cannot speak highly enough for what a great opportunity this school provides. This is a one year program and students graduate with either a full Qualified Member of the Engine Department ratings; or Able Seaman endorsements. Both the SUP and the MFOWW has benefitted from this ready pool of well-trained mariners.

The Seattle membership wishes our members aboard our ships; our pensioners; those of us ashore; and our women and men in uniform serving in harms way; a most joyous holiday season!

Vince O'Halloran
Branch Agent



Wilmington

November 21, 2016

Shipped during the period: Bosun: 5, AB: 12, AB Maint: 5, standby: 61 for a total of 83 jobs shipped.

Registrations: A:27 B:21 C:20 D:13

Ships Checked

APL Thailand, Manukai, Manulani, APL Philippines, Maunawili, APL China, Mokihana, Maunalei, APL Belgium, R.J. Pfeiffer, APL Korea.

Good rotary shipping with Matson and APL, Patriot jobs are harder to ship, all certifications need to be up to date.

Great Christmas party, wish more members could have been there.

Wishing everyone a Merry Christmas and Happy New Year.

Leighton Gandy
Branch Agent

Honolulu

November 21, 2016

Shipped the following jobs in the month of November: 3 AB Day steady, 1 AB Day relief, 3 AB Watch steady, 1 AB Watch relief, and 3 AB Maint. The shipping jobs were filled by 8 B cards, 2 C cards, and 1 D card. Also shipped 36 standby jobs. The standby jobs were filled by 10 A cards, 8 B cards, 13 C cards, and 5 D card.

Registered in November: 8 A cards; 9 B cards; 4 C cards; and 4 D cards. To date totaled registered are: 15 A cards; 14 B cards; 10 C cards; and 8 D cards.

Ships Checked

I visited the *R.J. Pfeiffer, Manukai, Maunawili, Manulani, Maunalei, Manoa, Mokihana, Kauai, Maui, Mahimahi, Matsonia*, and the Paint and Rigging gang. All are running with few or minor beefs.

I represented the SUP at the AFL-CIO Executive Board meeting, and the Hawai'i Maritime Port Council meeting.

I have received several calls about the two APL ships being crewed up in Honolulu. I have told all the members here and I am letting everyone else know that if you have less than six months on your documents, the company will deny you employment in these ships. APL has already turned down three members here because their USCG medical certificate didn't have enough time on them to complete the four to six-month dispatch, and another two members who didn't have at least four months left on their TWIC cards. This is just a word of advice for those members who want to ship in the *APL Guam* or *APL Saipan*. Other than that, I hope that everyone has had or is having a wonderful holiday season. Mahalo,
Michael Dirksen, Branch Agent

U.S. Navy plan calls for a 355-vessel fleet

The U.S. Navy announced a new force structure assessment on December 15, that calls for an increase in the size of the fleet from the current of 308 to 355 ships.

The expansion would come from new warships, which would increase to 104, and attack submarines to 66. The number of aircraft carriers would also increase from 11 to 12, while the report reiterates the need for 52 smaller surface vessels.

The cost of the fleet expansion is estimated to be approximately \$20 billion.

Eight Indonesian pirates sentenced to jail and caning

A Malaysian court has sentenced the eight Indonesian pirates who hijacked the Malaysia-flag tanker *Orkim Harmony* to 15-18 years in jail. Five of the pirates will also receive five strokes of the cane.

Vietnamese authorities extradited the men to Malaysia early on November 26, and they were tried and sentenced by the end of the next day. Local media reported that the men were not represented by counsel. All eight plead guilty.

In a reflection of the case's high profile,

an escort team of 40 armed personnel accompanied the pirates on their charter flight to Malaysia. Six prosecutors and the Indonesian ambassador attended the trial.

The pirates boarded and took control of the Malaysian-owned product tanker *Orkim Harmony* on June 11, 2015, off Tanjung Sedili, Malaysia. The vessel and her 22 crew were ferrying \$5 million worth of gasoline between Sungai Udang and Tanjun Gelang.

The Malaysian Maritime Enforcement Agency conducted a sweep of an 8,000 square mile area to locate the *Harmony*, and after days of searching they found her far to the north, in Vietnamese waters. A Malaysian naval vessel shadowed the hijacked ship's movements and attempted to persuade the pirates to surrender. Instead, the attackers fled in the ship's rescue boat. They eventually washed up on a small island off Vietnam. On shore, they claimed to be the survivors of an accident at sea, but local officials grew suspicious when they found large amounts of cash on the men. One crewmember of the *Harmony* was shot in the leg, but the rest were unharmed. The vessel and her cargo were recovered.

SUP member joins pension ranks

The following SUP member joined the rank of pensioner, bringing the total number of SUP members to 222:

Robert S. Taylor, 72, Book No. 3291, joined SUP in 1972, 20 years seetime.

Business Agent's Report

December 12, 2016

Florida Voyager- Made the ship at the Richmond Long Wharf after receiving a call that this ship ran out of stores. And witness all this to be true. The deck gang met with company officials to voice their ongoing concerns the cabinets are empty, no frozen foods, no fresh produce, this has been an ongoing issue first reported in February 2015 issue of the *West Coast Sailors*. But seems to have fallen on deaf ears and to pass blame to the steward department, topside seems to turn a blind eye and fails to support the obvious facts that need to be rectified. William Fisher, Bosun; Matt Frazier, delegate.

Mississippi Voyager- Back on the West Coast after a long shipyard period. Kenneth Dooley, Bosun; Terry Black, delegate.

Kauai- In and out of Oakland#62 on a steady run Oakland, Honolulu with no beefs. Robert Reed, Bosun; Izzy Idris, delegate.

Maui- Outbound for Honolulu with no beefs, working out the kinks. Ships crane up and running a little touchy but nothing we can't handled. Running smoothly with Robin Colonas, Bosun; Dave Frizzi, delegate.

Manoa- In and out Oakland #62, with no beefs. On the steady northwest run. Marc Calairo, Bosun; Duke Maringer, delegate.

Mahimahi- In and out Oakland #62, rumors has this ship skipping Oakland next trip in good hands with Has Idris, Bosun; Mark Relojo, delegate.

APL Thailand- In at Oakland #56. No qualified men in the hall; promoted James Buster to Bosun for one trip; shipped a relief AB, Bill Debenedictis, as delegate.

APL Philippines- In at Oakland #56 SSA Terminal. Brian Burns as Bosun, Gary McDevitt as delegate.

Worked in the front office and dispatched.

Roy Tufono

Dispatcher's Report Headquarters—Nov. 2016

Deck	
Bosun	4
Carpenter	0
MM	6
AB	21
OS	7
Standby	34
Total Deck Jobs Shipped	72
Total Deck B, C, D Shipped	62
Engine/Steward	
QMED	0
Pumpman	0
Oiler	0
Wiper	0
Steward	0
Cook	0
Messman	0
Total E&S Jobs Shipped	0
Total E&S B, C, D Shipped	0
Total Jobs Shipped - All Depts.	72
Total B, C, D Shipped-All Depts.	62
Total Registered "A"	23
Total Registered "B"	34
Total Registered "C"	14
Total Registered "D"	35

SUP Members take note

Job Calls at SUP Halls

Headquarters: 9:00 A.M., 11:00 A.M.
and 2:00 P.M.

Seattle: 10:00 A.M.

Wilmington: 10:00 A.M. and 2:00 P.M.

Honolulu: 10:30 A.M. and 2:00 P.M.