Official Organ of the Sailors' Union of the Pacific

Friday, August 21, 2009

# Labor Day festivities at Sailors' Union ports

Volume LXXII

No. 8

Seattle: The Martin Luther King, Jr. Labor Council's Labor Day Celebration will be held on Monday, September 7, from 11:00 A.M. to 4:00 P.M. at Lower Woodland Park. The event is free, but the Council requests participants bring canned goods for the Puget Sound Labor Agency Food Bank.

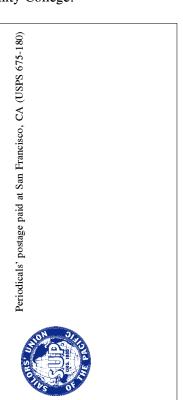
Oakland: The Alameda Labor Council will hold its Labor Day Celebration on Monday, September 7, from 3:00 P.M. to 6:00 P.M. at the Martin Luther King, Jr. Shoreline Park, 2750 Doolittle Drive near the Oakland Airport. Tickets are \$20, which includes BBQ and soft drinks by the Firefighters Unions. Congresswoman Barbara Lee will attend. There will be a free shuttle from the Coliseum BART station and ILWU Local 6 (99 Hegenberger Road) to the park every half hour starting at 2:30 P.M.

**San Francisco**: The San Francisco Labor Council is hosting a pre-Labor Day breakfast on Friday, September 4, at the St. Francis Hotel at 8:00 A.M. Tickets are \$100. Speaker of the House Nancy Pelosi will attend.

**Wilmington**: The 30th Annual Labor Day Solidarity March will be held on Monday, September 7. SUP members will muster at Broad Avenue and E Street at 7:00 A.M. with the march beginning at 10:00 A.M. The march will end at Banning Park with a rally and BBQ.

**Honolulu**: A Labor Day Unity Picnic organized by the Hawai'i Building and Construction Trades Council will be held at the Waikiki Shell from 12:00 P.M.

to 6:00 P.M. on Monday, September 7; food, games and activities for the keiki and local live entertainment. The organizers request that those attending bring canned goods for the Food Bank. As there is limited parking at the Waikiki Shell, shuttle services will be available from Kapiolani Community College.





# Why we need health care reform

By President Barack Obama

SAN FRANCISCO, CALIFORNIA

ur nation is now engaged in a great debate about the future of health care in America. And over the past few weeks, much of the media attention has been focused on the loudest voices. What we haven't heard are the voices of the millions upon millions of Americans who quietly struggle every day with a system that often works better for the health-insurance companies than it does for them.

These are people like Lori Hitchcock, whom I met in New Hampshire this month. Lori is currently self-employed and trying to start a business, but because she has hepatitis C, she cannot find an insurance company that will cover her. Another woman testified that an insurance company would not cover illnesses related to her internal organs because of an accident she had when she was 5 years old. A man lost his health coverage in the middle of chemotherapy because the insurance company discovered that he had gallstones, which he hadn't known about when he applied for his policy. Because his treatment was delayed, he died.

I hear more and more stories like these every single day, and it is why we are acting so urgently to pass health-insurance reform this year. I don't have to explain to the nearly 46 million Americans who don't have health insurance how important this is. But it's just as important for Americans who do have health insurance.

There are four main ways the reform we're proposing will provide more stability and security to every American.

First, if you don't have health insurance, you will have a choice of high-quality, affordable coverage for yourself and your family—coverage that will stay with you whether you move, change your job or lose your job.

Second, reform will finally bring skyrocketing health care costs under control, which will mean real savings for families, businesses and our government. We'll cut hundreds of billions of dollars in waste and inefficiency in federal health programs like Medicare and Medicaid and in unwarranted subsidies to insurance companies that do nothing to improve care and everything to improve their profits.

Third, by making Medicare more efficient, we'll be able to ensure that more tax dollars go directly to caring for seniors instead of enriching insurance companies. This will not only help provide today's seniors with the benefits they've been promised; it will also ensure the long-term health of Medicare for tomorrow's seniors. And our reforms will also reduce the amount our seniors pay for their prescription drugs.

Lastly, reform will provide every American with some basic consumer protections that will finally hold insurance companies accountable. A 2007 national survey actually shows that insurance companies discriminated against more than 12 million Americans in the previous three years because they had a preexisting illness or condition. The companies either refused to cover the person, refused to cover a specific illness or condition or charged a higher premium.

We will put an end to these practices. Our reform will prohibit insurance companies from denying coverage because of your medical history. Nor will they be allowed to drop your coverage if you get sick. They will not be able to water down your coverage when you, need it most. They will no longer be able to place some arbitrary cap on the amount of coverage you can receive in a given year or in a lifetime. And we will place a limit on how much you can be charged for out-of-pocket expenses. No one in America should go broke because they get sick.

Most important, we will require insurance companies to cover routine checkups, preven-

tive care and screening tests like mammograms and colonoscopies. There's no reason that we shouldn't be catching diseases like breast cancer and prostate cancer on the front end. It makes sense, it saves lives and it can also save money.

This is what reform is about. If you don't have health insurance, you will finally have quality, affordable options once we pass reform. If you have health insurance, we will make sure that no insurance company or government bureaucrat gets between you and the care you need. If you like your doctor, you can keep your doctor. If you like your health care plan, you can keep your health care plan. You will not be waiting in any lines. This is not about putting the government in charge of your health insurance. I don't believe anyone should be in charge of your health care decisions but you and your doctor-not government bureaucrats, not insurance companies.

The long and vigorous debate about health care that's been taking place over the past few months is a good thing. It's what America's all about.

But let's make sure that we talk with one another, and not over one another. We are bound to disagree, but let's disagree over issues that are real, and not wild misrepresentations that bear no resemblance to anything that anyone has actually proposed. This is a complicated and critical issue, and it deserves a serious debate.

Despite what we've seen on television, I believe that serious debate is taking place at kitchen tables all across America. In the past few years, I've received countless letters and questions about health care. Some people are in favor of reform, and others have concerns. But almost everyone understands that something must be done. Almost everyone knows that we must start holding insurance companies accountable and give Americans a greater sense of stability and

continued on page 2

# **SUP Quarterly Finance Committee Report**

SUP QUARTERLY FINANCE COMMITTEE REPORT FOR THE QUARTER ENDED JUNE 30, 2009

The Quarterly Finance Committee, duly authorized to act by the regular meeting at Headquarters on July 13, hereby submits the following report:

#### SUMMARY OF CASH AND INVESTMENTS

General Fund	\$719,400.05
Political Fund	\$4,561.43
Strike Fund	<u>\$1,293,730.99</u>
Total Cash & Investments 2nd Qtr. 2009	\$2,017,692.47

#### **GENERAL FUND**

Dues, Initiation, Assessments	\$94,336.35
Interest	23,622.21
Donations - West Coast Sailors	1,754.00
Tanker & Joint Committee, Hiring Hall	72,791.42
Advertising & Promotion	91.68
Miscellaneous Income, Reimbursements, Fines	1,438.13
Reimbursed Administrative Expenses	17,043.89
Field Expense	614.82
Bequest	52,854.20
Contributions - General Fund	3,411.19
Total Income	\$ <u>267,957.89</u>

#### Expenses:

Income:

Auto & Travel	\$2,009.22
Accounting (Audit)	2,000.00
Rent	17,568.65
Postage, Printing & Office	7,546.08
Telephone & Telegraph	4,082.54
West Coast Sailors Publishing Expense	6,004.14
Per Capita	
Salaries & Payroll Taxes	169,620.74
Office Workers' Pension	7,098.00
Insurance	34,473.35
Field Expense	5,401.52
Committee & Neg., Conference & Convention	
Investment Expense	1,215.58
Advertising & Promotion	866.91
Officials Pension	2,317.20

Contributions	1,415.00
Flowers & Misc.	
Subscription	<u>5,922.51</u>
Total Expense	

BUILDING	CORPORATION
Income:	
Assessments	\$2,232.00
Rents	64,101.44
Building Utilities & Service Reimburs	sement
Total Income	<u>\$67,691.99</u>
Expense:	
Building Services & Utilities	\$22,993.08
Repairs & Maintenance	2,517.91
Salaries & Payroll Taxes	13,585.40
Pension	385.44
Filing Fee	1,235.00
General Tax	12,914.47
Insurance	
Total Expense	\$60,266.70
POLIT	ICAL FUND
Income:	
Contributions	\$2,080.00
Interest	
Total Income	\$2,080.27
Expense:	
Contributions	\$750.00
Office Expense	34.78
Total Expense	<u>\$784.78</u>
Net Income 2nd Quarter	\$(5,204.92
/s/Romaine Dudley	/s/Noel Itsumaru

ACTION BY THE MEMBERSHIP August 10, 2009. M/S/C—That we concur in the report of the SUP Quarterly Finance Committee and, as per past practice, publish in the **West Coast Sailors**. Carried unanimously.

/s/Peter Leo

# **European Commission says Jones Act and cargo preference are "barriers to trade"**

The Jones Act, which protects the jobs of American mariners aboard U.S.-flag ships, is one of several "barriers to trade" that should be eliminated, according to a recent European Commission (EC) report. Other laws identified in the report, called "United States Barriers to Trade and Investment Report for 2008," include the Container Security Initiative and the SAFE Port Act.

The Jones Act is described in the report as a "Department of Defense security restriction," which "uses national security reasons to prohibit the use of foreign vessels."

The authors of the report also complain that "there has been no progress on the elimination of requirements that U.S. government-owned or -financed cargoes be shipped on U.S-flagged ships." The report concludes by pointing out that the United States "has also not included any maritime services-related commitments in any of its offers in the Doha Round negotiations under the aegis of the World Trade Organization."

## Surf's way up, study warns

Researchers warned this month that a rogue wave with the power to capsize an oceangoing ship, could be up to 10 times more likely than thought.

That's the warning from a study by Tim Janssen of San Francisco State University and T.H.C. Herbers of the Naval Postgraduate School in Monterey, to be published in the August issue of the *Journal of Physical Oceanography*.

Extreme waves, as high as a six-story building, "are not an exclusively deepwater phenomenon," the authors pointed out. Wave focal zones are particularly common in coastal areas where changes in water depth and strong currents can result in dramatic focusing of wave energy. The ability to identify freak wave "hot spots" is important for ship navigation in areas where conditions are ripe for extreme waves.

The study, which considered "the combined effects of refraction and nonlinearity on the evolution of ocean surface wave statistics," uses improved wave model simulations to pinpoint locations and conditions for sudden forming of extreme waves.

## Final Departures

Clyde Rogers, Book No. 3019. Born in Arkansas in 1925. Joined SUP in 1948. Died in Mountain Home, Arkansas, June 28, 2009. (Pensioner)

**Kay House**, Book No. 5812. Born in California in 1935. Joined SUP in 1956. Died in California, July 22, 2009. (Pensioner)

Charles Sherva, Book No. 7048. Born in Montana in 1929. Joined SUP in 1945. Died in Boise, Idaho, July 11, 2009. (Pensioner)

**Phillip Fritts**, Permit No. 18396. Born in Washington in 1949. Joined SUP in 2001. Died in Washington, July 25, 2009.

#### Why we need health care reform continued from page 1

security when it comes to their health care.

/s/Kaj Kristensen /s/Mike Worth

I am confident that when all is said and done, we can forge the consensus we need to achieve this goal. We are already closer to achieving health-insurance reform than we have ever been. We have the American Nurses Association and the American Medical Association on board, because our nation's nurses and doctors know firsthand how badly we need reform. We have broad agreement in Congress on about 30 percent of what we're trying to do. And we have an agreement from the drug companies to make prescription drugs more affordable for seniors. The AARP supports this policy, and agrees with us that reform must happen this year.

In the coming weeks, the cynics and the naysayers will continue to exploit fear and concerns for political gain. But for all the scare tactics out there,

what's truly scary, truly risky, is the prospect of doing nothing. If we maintain the status quo, we will continue to see 14,000 Americans lose their health insurance every day. Premiums will continue to skyrocket. Our deficit will continue to grow. And insurance companies will continue to profit by discriminating against sick people.

That is not a future I want for my children, or for yours. And that is not a future I want for the United States of

In the end, this isn't about politics. This is about people's lives and livelihoods. This is about people's businesses. This is about America's future, and whether we will be able to look back years from now and say that this was the moment when we made the changes we needed, and gave our children a better life. I believe we can, and I believe we will.

Source: The New York Times, August 16, 2009

## **SUP Meetings**

These are the dates for the regularly scheduled SUP meetings in 2009:

	Нα	lqs.	Branch
September		14	21
October	Tues.	13	19
November		9	16
December		14	21

## West Coast Lailors

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Gunnar Lundeberg, President/Secretary-Treasurer Teresa Anibale, Editor

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FAX: (310) 835-9367 **Honolulu, HI** 96813

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**WELFARE OFFICE** (415) 778-5490

**PENSION PLAN OFFICE** (415) 764-4987

# The recession continues to hammer TransPacific carriers

Neptune Orient Lines, the parent company of APL, plunged \$391 million into the red for the first six months of this year compared to a \$196 million profit in the first half of 2008. For the first half of the year, APL handled 970,000 FEU, down 24% on the first half of 2008. The drop in volumes in the second quarter narrowed to 19% down on the same period in the previous year with the line handling 489,000 FEU. APL's utilization levels improved from 80% in the first quarter of the year to 87% in the second quarter. However 15 of APL's vessels remain either in hot or cold layup, three less than at the end of June.

Matson Navigation Company saw container volumes in its China Service drop 15% in the six months ending June 30.

Hanjin Shipping posted a \$400 million operating loss for the firs half of 2009, a huge reverse for the Korean carrier on the \$205 million it made in the corresponding period in 2008.

Orient Overseas Container Line had \$187 million in operating losses in the first half of 2009 on revenue that plunged 35% compared to the first half of 2008. That compares to \$158 million the company made in profit in the first six months last year. Its net loss was even higher than operating losses, at \$232 million. The Hong Kong-based carrier said liftings declined 17%, while revenue per TEU fell 24.2%. The carrier said it reduced capacity by 14% since December.

NYK, Mitsui O.S.K. Line (MOL) and "K" Line —Japan's big three ocean carriers— posted combined losses of \$623 million.

In addition, the world's three largest container carriers —Maersk Line, Mediterranean Shipping Company and CMA CGM— said they will rationalize their TransPacific services to the U.S. West Coast, removing about 8,800 TEUs of capacity per week from the traded.

## Union federation targets Hondurasflagged vessels in democracy protest

Honduras-registered vessels are being targeted for trade Union protests in favor of the restoration of democracy in the Central American country, after the military coup in June that forced President Manuel Zelaya Rosales into exile. The campaign is being organized by the International Transport Workers' Federation (ITF), which already sanctions Honduran shipping as part of its continuing drive against flags of convenience. The call is likely to affect loading and unloading of around 860 ships in total, including 383 general cargoships, 144 fishing vessels and 114 tankers.

In trade terms, Honduras is Central America's largest textile manufacturer and second largest coffee producer, with most of its exports going to the US. Honduras has shipped the bulk of its coffee for the 2008-2009 season, but still has 400,000 bags of coffee to be sent over the next two months.

ITF General Secretary David Cockroft said in a statement: "We have to put real pressure on the Honduran military to allow the country to revert to democracy. We are therefore calling on our member Unions to consider taking lawful action to defend the rights of the citizens of Honduras. "That is likely to include protests that centre on Honduran ships. All such actions will be peaceful, will respect the rights of the seafarers on the ships, but will send a clear message to those in authority, for now, in Honduras that the outside world does not accept their seizure of power."

Trade Unions in El Salvador, Guatemala and Nicaragua have all organized events at the request of the Honduran counterparts, with the ITF playing a coordinating role.

# Bill to protect mariners from liability during pirate defense passes House Committee

The House Transportation and Infrastructure Committee on July 30, unanimously passed legislation to protect mariners' right of self-defense against acts of piracy.

Introduced in June by Congressman Frank LoBiondo (R-New Jersey) as the U.S. Mariner and Vessel Protection Act (H.R. 2984) in response to the attempted hijacking of the *Maersk Alabama* by Somali pirates, during which the pirates kidnapped the ship's captain.

The bill directs the U.S. Coast Guard to certify firearms training for merchant mariners on U.S.-flagged merchant vessels. Any trained mariner using force and the owner, operator or master of said vessels would be exempt from liability in U.S. courts as a result of that use of force. It would also authorize the deployment of Coast Guard Maritime Safety and Security Teams (MSST) to ride aboard and defend U.S.-flagged vessels transiting pirate-infested waters. MSST are specially trained USCG personnel fully

equipped in advanced weapons and other equipment that are capable of rapid deployment to successfully conduct antiterrorism operations, vertical insertions, and tactical ship operations. The bill would further direct the United States to negotiate international agreements through the International Maritime Organization to provide similar exemptions from liability in other countries for the use of force by mariners and vessel owners, operators and masters as well as to ensure armed U.S. crews can enter foreign ports.

"Our Merchant Marine fleet is increasingly under attack from unlawful individuals and rogue groups that seek to disrupt commerce, seize U.S. and foreign crews, and instill fear on international waters. It is only appropriate that our fleets be legally allowed to defend themselves from these violent encounters," said LoBiondo. "This commonsense legislation is a necessary step in empowering U.S.-flagged vessels to fully protect their crews and cargo."

# "Far and away the best prize that life has to offer is the chance to work hard at work worth doing."

President Theodore Roosevelt, Labor Day 1903

# Waters in Florida



Bosun Paul Harsany, STOS Jesse Williams, and AB and delegate Barbara Shipley on the stern of the USNS Waters in Port Canaveral, Florida, last month. The Waters is operated by SUP-contracted Patriot Contract Services for the Military Sealift Command.

# Coast Guard issues updated info for mariners about TWIC

While the data shared with the Coast Guard by TSA indicates that nearly one in five Merchant Mariner Credential Applicants do not currently hold a TWIC, the National Maritime Center (NMC) has uncovered several reasons why this data might or might not be true. If you want to find out how you can minimize the risk of delays in receiving your Merchant Mariner Credential (MMC) related to your TWIC, read on:

**Obtain a TWIC:** The first and most obvious issue is that some applicants whose applications were on file with the NMC prior to April 15, 2009, waiting to test or in an awaiting information status, still have not applied for a TWIC. If this is you, please understand that the NMC will not issue your MMC until we have confirmation from TSA that you hold a TWIC. Information on applying for a TWIC can be found at: www.tsa.gov or by calling 866-347-8942.

**Identify yourself as a Merchant Mariner:** To avoid delays in processing your MMC Application (whether originals, upgrades, renewals or endorsements) it is critical that you identify yourself as a merchant mariner by selecting *Merchant Mariner* as your occupation when you apply for your TWIC. Even if you have yet to apply for your MMC you must identify yourself as a Merchant Mariner. This identification is what triggers TSA to send your data to the Coast Guard. Applications for Documents of Continuity DO NOT require a TWIC.

**TSA Help Desk:** For applicants that have already received their TWIC and did not or can't remember if you chose Merchant Mariner as your occupation, you can call the TSA help desk to have your occupation switched to Merchant Mariner or just to check, call 866-347-8942, and select 1 for English or 2 for Spanish. Select 4 to get a representative that can help you change or confirm your selected occupation. The operator will ask you several questions to verify your identity and make the change. The operator will also give you a Help Desk Ticket Number.

Write down and save this Help Desk Ticket Number. Having this number available will enable the NMC to quickly correct any further data problems associated with the occupation selection.

Accurate Data on the TWIC and Merchant Mariner Credential Applications: Mariners will need to ensure that the biographical information that you supply to TSA is the same as that used to apply for your MMC. The NMC has spent many hours researching and correcting data errors which prevented the Coast Guard and TSA from matching data (name spelling, SSN, birth date, etc).

# David Matsuda named Deputyl Acting Maritime Administrator

Transportation specialist David Matsuda has been named Deputy/Acting Administrator of the Maritime Administration (MarAd). He moves to MarAd from his current position as Deputy/Acting Assistant Secretary for Transportation Policy at the Department of Transportation (DOT). Matsuda joined DOT in March 2009, after seven years on Capitol Hill

While working in the Senate from 2002 to 2009, he was engaged in the formulation of most major federal transportation legislation. Most recently he served as

senior counsel and primary transportation advisor to Senator Frank R. Lautenberg (D-New Jersey).

In 2002, Matsuda became a Georgetown University Government Affairs Institute fellow on the staff of the Senate Committee on Commerce, Science and Transportation. From 1998 to 2002, he worked as an attorney with the Federal Railroad Administration.

As the *West Coast Sailors* went to press the Obama Administration had not yet named a new Maritime Administrator.

# **SUP Honor Roll**

Voluntary contributions from the membership to the following funds:

#### Organization/ General Fund

**Duke Maringer ...... 20.00** 

Emmanuel Rezada ...... 40.00

Alex Romo ...... 25.00

Remoni Tufono ...... 10.00

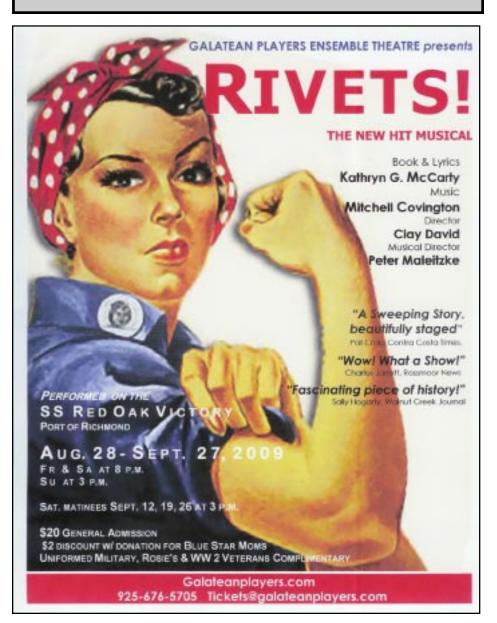
# West Coast Sailors

Colin Walker ..... 25.00

Albert Abramson 20.	.00 Walter Arndt 25.00
Liam Casement 15.	.00 Archie Bickford 25.00
Robin Colonas 50	.00 Herbert Blake 25.00
Rolando Gumanas 10	.00 Joe Bracken 25.00
Noel Itsumaru 50	.00 Gunther Brummer 30.00
Marcelo Javier 15	.00 Gene Castano 20.00
Jan-Peter Johnsson 20	.00 Robin Colonas 25.00
Jerold Komoto 50	.00 Mike Fox 25.00
John McAuliffe 25.	.00 Paul Fuentes in memory
Timothy Patricio 100	.00 of Eddie Atencio 20.00
John Perez 100	.00 Allen Gonzalez 10.00
Alex Romo 25.	.00 Phil Howell 25.00
Knud Sorensen 50	.00 ILWU Local #8 25.00
Ernest Stimach 50	.00 Norman Kurtz 25.00
	Orson Larsen 25.00
Political Fund	John Nannini 30.00
Dakin Calanas	Robert Porteous 25.00
Robin Colonas 50	Elmer Rauk 20 00
Mike ElMobdy 20	Alex Romo 25.00
Nabeel Hafid 100	Charles Schroeder 10.00
Raul Macalinao 20	.00 Colin Walker 25.00

#### **Dues-Paying Pensioners**

Robert Copeland	Book #4763	John McKeon	Book #6456
<b>Romaine Dudley</b>	Book #2593	Keith Miller	Book #6497
Alexander Earle	Book #1885	Joseph Moitoso	Book #6517
<b>Duane Hewitt</b>	Book #5748	Joseph Napier	Book #2299
Knud Jensen	Book #3940	Duane Nash	Book #2437
John Jewett	Book #4291	John Pedersen	Book #3834
<b>Tony Jones</b>	Book #4305	John Perez	Book #3810
Kaj E. Kristensen	Book #3120	Alex Romo	Book #3193
Eli Lalich	Book #4062	Cliff Rouleau	Book #3144
<b>Stanley Lane</b>	Book #4106	Ralph Senter	Book #7323
James K. Larsen	Book #4055	Richard Sexton	Book #203



# Maritime coalition urges House panel to end tax thwarting marine highway

On August 4, a coalition of maritime labor, shipping companies and port organization filed a statement with the House Ways and Means Committee, expressing strong support for the enactment of Harbor Maintenance tax legislation to encourage the development of a marine highway system. The letter, addressed to Congressman Richard Neal (D-Massachusetts), Chairman of the Subcommittee on Select Revenue Measure and Congressman Patrick Tiberi (R-Ohio), the Ranking Minority member on the subcommittee is excerpted as follows:

Dear Chairman Neal and Ranking Member Tiberi:

We are writing on behalf of the undersigned American maritime associations and labor organizations in response to your Subcommittee's hearing of July 23 in which a number of tax measures that could help improve the nation's transportation infrastructure were discussed. We wish to bring to your attention and to convey our strong support for the enactment of a tax measure that has the potential to ease landside congestion, create jobs and improve the environment by encouraging the development of a United States marine highway system.

Specifically, we ask that the record reflect that an exemption from the Harbor Maintenance Tax (HMT) on the waterborne transportation of cargo between American ports will promote the development of a marine highway system that can serve as a cost-effective, efficient and environmentally-sound way to supplement and complement the rail and truck traffic that is already pushed to capacity in most major transportation corridors. It will offer shippers an additional means to transport the ever-increasing volumes of imported cargo expected to move in interstate commerce between American ports in the coming years. At the same time, it is important to note that this proposal does not affect or change the application of the HMT on cargo entering the United States from an overseas market. Rather, it would simply end the discriminatory double taxation on cargo moving along our nation's four seacoasts by vessel.

Today, cargo entering the United States is subject to the Harbor Maintenance Tax. If that same cargo is then transported by rail or truck to another destination within the United States, it is not taxed again. However, if that same cargo is transported by a United States-flag vessel to another United States destination, it is taxed again. This double, discriminatory taxation of cargo moving by water creates a significant economic disincentive to the development of a marine highway system. This in turn discourages the development of the domestic movement of cargo by water which would ease highway traffic congestion, reduce fuel consumption and air pollution, and strengthen the U.S.-flag, U.S.-built domestic shipping industry – all with virtually no loss of revenue to the United States government.

Senator Frank Lautenberg, a sponsor of HMT legislation, recently stated that "The strength of our freight transportation system is being threatened by our overwhelmed roads, bridges and tunnels – and the simple, smart solution is to ship more of America's goods by sea."

Congressman John McHugh, another sponsor of HMT legislation, has stated that ending the multiple taxation of waterborne cargo within the United States, to encourage the development of a marine highway system, will "give shippers an incentive to move cargo via marine... [and] reduce current highway congestion."

Finally, we note that the previous and current Secretary of Transportation, Mary Peters and Ray LaHood, have both spoken out about the benefits of a marine highway system. Secretary LaHood has recently stated that "The maritime industry is the economic engine of the country ...the goal is to relieve congestion on the country's surface highways and rail networks by shifting cargo transportation to America's coastal and inland waterways."

The payment of the HMT is the responsibility of the shipper of the cargo, not the vessel operator. Consequently, it creates two obstacles to moving cargo by water between American ports as compared to moving that same cargo by truck or rail. First, the shipper must complete and file multiple forms with the appropriate governmental agencies - a time consuming task. Second, the shipper must pay the tax each time the same cargo reaches another domestic destination. As a result of these serious disadvantages in cost and customer convenience (as compared to land movement of the cargo), the development of a marine highway system has been impeded.

Various legislative proposals have been introduced in 2009 that would eliminate the multiple application of the HMT to the transportation of cargo by water within the United States. The Chairman of the Coast Guard and Maritime Transportation Subcommittee, Rep. Elijah Cummings, has introduced H.R. 638, and H.R. 3486 has been introduced by Rep. Brian Higgins. Similar legislation, S. 551, has been introduced by Senator Frank Lautenberg.

The Joint Committee on Taxation and the Congressional Budget Office has indicated that the score for such legislation would be approximately \$1-\$2 million annually. As we noted earlier, this is not surprising given that the administrative and financial obstacles to short sea shipping created by the multiple application of the HMT on the domestic waterborne transportation of cargo have thwarted its use. We believe, therefore, that there should be no budgetary objection to the enactment of such legislation.

In conclusion, we appreciate the opportunity to submit this statement for the record. We believe that the benefits of eliminating this barrier to development of the marine highway are considerable: Eases landside congestion, highway and/or rail; reduces the need for expensive new landside capacity, highway and/or rail; utilizes the more fuel-efficient, lower polluting maritime mode, easing air pollution; and creates U.S. citizen maritime jobs and strengthens the active base of Jones Act vessels and U.S. citizen mariners for national security.

We again ask that language exempting the domestic waterborne transportation of domestic and Great Lakes cargo from the application of the Harbor Maintenance Tax is included in any transportation revenue package developed by the Committee on Ways and Means.

Respectfully submitted by: Sailors' Union of the Pacific, American Association of Port Authorities, American Great Lakes Ports Association, American Maritime Congress, American Maritime Officers, American Maritime Officers Service, American Waterways Operators, International Longshoreman's Association, International Organization of Masters, Mates & Pilots, Marine Engineers' Beneficial Association, Marine Firemen's Union, Maritime Institute for Research and Industrial Development, Seafarers International Union, Transportation Institute.

# Notice to All SUP Members

# NOTICE OF NOMINATION AND ELECTION OF OFFICERS

for the

# SAILORS' UNION OF THE PACIFIC 2010-2012 TERM OF OFFICE

The membership of the Sailors' Union of the Pacific is hereby notified that the regular secret ballot Union-wide election of officers will be held from December 1, 2009, through January 31, 2010.

Attention is also called to the fact that nominations for regular office in the Sailors' Union of the Pacific for the 2009-10 term of office will be opened at Headquarters and at all Branches at the Regular meetings in September 2009.

The Regular meetings in September will be held at the following locations, dates and times:

Headquarters: September 14, 2009 - 11:00 A.M. 450 Harrison Street, San Francisco, CA

Branches: September 21, 2009

Seattle, Washington: 2414 S.W. Andover Street,

Building F, Suite 105, 11:00 A.M.

Wilmington, California: 533 N. Marine Avenue,

11:30 A.M.

Honolulu, Hawai'i: 707 Alakea Street, 10:30 A.M.

In accordance with the Sailors' Union of the Pacific Constitution, any eligible member may place his/her own name in nomination for any regular office or may be nominated by another member. Nominations may be made either in person or by mail; however, any nomination made by mail must be received at the Branch or at Headquarters at least one day prior to the meeting at which nominations will be received.

Any member of the Sailors' Union of the Pacific may submit or mail in his/her own name for nomination. However, no person may be a candidate for more than one office with the exception of the positions of Trustees of the SUP Building Corporation, and delegates to the SIUNA Convention.

All nominees who wish to run for office must have the necessary qualifications and acceptances in the office of the Committee on Candidates, Sailors' Union of the Pacific, 450 Harrison Street San Francisco, CA 94105, prior to midnight, October 14, 2009.

Balloting will be conducted by mail through an impartial balloting agent approved by the membership.

The election will fill the official positions in the Sailors' Union of the Pacific, as prescribed by the Constitution for a two-year term of office. The jobs are: President/Secretary-Treasurer, Vice President/Assistant Secretary-Treasurer, Business Agent, each at San Francisco.

At Seattle, Branch Agent; at Wilmington, Branch Agent; at Honolulu, Branch Agent.

In addition, five regular positions as Sailors' Union of the Pacific Building Corporation Trustees and three delegates to the SIUNA Convention to be held in 2012 will be filled.

Any member of the union is eligible to be a candidate for and hold regular office, provided he/she possess the following qualifications:

- a) He/she is a member in good standing at the time of nomination;
- b) He/she achieved B seniority as defined in the Sailors' Union of the Pacific Shipping Rules;
  - c) He/she is not disqualified by law.

A member shall not be eligible to be a candidate for and hold any regular office if within the past five years he/she has been convicted of, or served any part of a prison term resulting from conviction of robbery, bribery, extortion, embezzlement, grand larceny, burglary, arson, violation of narcotics laws, murder, rape, assault with intent to kill, assault which inflicts grievous bodily injury, or violation of Title II or III of the Landrum-Griffin Act, or conspiracy to commit any such crimes.

The names and membership numbers of nominees, if obtainable at the time, shall be recorded in the minutes at the coastwise meetings. The Balloting Committee shall be elected and shall prepare a list of names and nominees for each office and forward copies thereof to each Branch. Such lists shall be conspicuously posted in each office or hall. All nominees shall be notified by mail of their nomination and such notice shall be mailed within five working days after the nominating meeting.

A Committee on Election composed of five members in good standing shall be elected at Headquarters, whose duty shall be to prepare the ballot. All nominees who desire to become candidates shall have the necessary qualifications and acceptances in the office of the Committee on Candidates prior to midnight of October 14 of the election year.

The acceptance shall be by letter which shall be dated and shall contain the following:

- a) The name of the candidate;
- b) His/her home address and mailing address;
- c) His/her membership number;
- d) The title of the office or other position for which he/ she is a candidate, including the name of the port in the event the position sought is that of Branch Agent or Business Agent, Building Corporation Trustee or SIUNA delegate.
  - e) He/she is not disqualified by law.

Nominees who fail to comply herewith shall be regarded as having declined the nomination.

# **ESU Office Assignments**

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



Official Publication of the Exxon Seamen's Union

## A look astern...

# 10 years as an SUP affiliate

The ESU marked an historic date during the month of July. It was ten years ago, when the membership of the Exxon Seamen's Union voted overwhelming to affiliate with the Sailors' Union of the Pacific. Prior to that date, the ESU had operated since its beginning in 1941 as an independent unaffiliated labor union. All that changed on July 27, 1999, when the ESU members demonstrated their solidarity and willingness to be part of organized labor by affiliating with the SUP and the AFL-CIO.

During the first 58 years of the Union's existence, there were numerous times when the ESU had attempted to affiliate or merge with a national union, but those attempts had always failed. Several factors helped serve as a catalyst for the affiliation vote but the primary reason was a grass roots movement that came from within the ranks of the membership. From the wage cuts of 1988, through the meager gains of the 90's, the rank-and-file were ready for a new direction for their Union.

The ESU Executive Board, lead by then President, Bud Yost, responded with a petition and ballot mailout before the Company knew the affiliation vote was in the works. The vote was very much opposed by SeaRiver, the Company saw this movement as a threat and launched a very intensive anti-affiliation campaign to dissuade the membership and foster doubt to influence the outcome of the election. However, the membership was not fooled and remained steadfast in the face of management's intimidation and coercion to maintain their dominance over the unlicensed employees' labor organization. The ESU members were not deterred and exercised their constitutional rights as U.S. citizens to choose their form of labor representation.

As we look back now, the ESU Board believes the membership made the right decision by voting for an affiliation with the SUP. The SUP and the ESU have a shared common interest of representing merchant mariners that go to sea to make their living. The two Unions on numerous occasions have worked together by sharing vital information that allows us to better plan and represent our respective memberships on issues pertaining to maritime and labor legislation, grievances, and most importantly collective bargaining issues. SUP President, Gunnar Lundeberg and Vice President, Dave Connolly have both been very supportive to the ESU and have taken time out of their busy schedules at a moment's notice to advise the ESU leadership when needed. Additionally, they have attended many ESU Ship Rep. Conferences over the years to speak on behalf of their organization and to conduct training seminars for the ESU leadership.

Another benefit to our Union is that we are no longer the in-house Union that was isolated from the rest of organized labor. Through our affiliation with the SUP we are also members of the Texas AFL-CIO and Harris County AFL-CIO. These organizations do an excellent job with providing invaluable information about labor in general. Additionally, Harris County AFL-CIO (Houston) is very involved on a local level and very supportive of the ESU. In fact, members from the Harris County AFL-CIO helped ESU members with informational picketing in front of the ExxonMobil building during 2001.

Going forward, the ESU looks to many more successful years as an affiliate of the Sailors' Union of the Pacific and we are committed to continue working along side the SUP and affiliated organizations on the issues that will shape the lives and livelihoods of merchant mariners in our very unique and important industry.

# Wage rates increase Sept. 1, 2009

In accordance with the provisions of our current Collective Bargaining Agreement (CBA) an increase in Base wages, CSB (Continuous Service Bonus), SSHOT (Saturday, Sunday, Holiday overtime) and overtime rates for all ratings will become effective beginning with the pay period that starts September 1, 2009. The Agreement, negotiated between the Exxon Seamen's Union and SeaRiver Maritime, Incorporated and ratified by the ESU membership is in effect from September 1, 2008 through August 31, 2011.

In this, the second year of the all rates of pay except Penalty rates will increase by 4.50%. This increase follows a 5.25% pay increase that took effect on September 1, 2008. In 2010, the last year of the contract, the membership will receive a 3.75% raise on all rates of pay except Penalty rates.

A complete and comprehensive compilation of all wage tables can be found in Article XVII (pages 67-74) of the CBA. Below are excerpts of wage tables from the Agreement that reflect the increase for the year 2009.

The monthly wage schedule, including additional compensation for years of continuous service (CSB), shall be as follows:

TOTAL	MONTI	HLY W	AGES-	-Base	+CSB-	— Effe	ctive S	ept. 1,	2009	
RATING	START	1	2	3	5	10	15	20	25	30
Pumpman	4222	4486	4663	4698	4791	4968	5012	5051	5096	5140
MM/2nd PM	3985	4232	4400	4433	4519	4682	4724	4767	4810	4855
QMED-Oiler	3481	3698	3851	3882	3957	4110	4148	4184	4218	4256
M/M AB	2992	3179	3303	3328	3388	3508	3539	3571	3602	3635
Able Seaman	1 3003	3194	3318	3347	3415	3543	3575	3607	3638	3669
Able Seaman	2654	2818	2935	2957	3014	3131	3157	3187	3213	3243
Maint. Seamar	n 2401	2552	2656	2684	2738	2851	2875	2902	2930	2959
Fleet Chef	3977	4214	4373	4403	4488	4643	4683	4725	4762	4801
Cook	2972	3150	3268	3292	3354	3474	3504	3533	3562	3593

#### MONTHLY SUM FOR SATURDAY, SUNDAY, AND HOLIDAYS (SSHOT)

For work performed during regular scheduled hours on Saturday, Sunday and holidays, the following sums will be paid during each month of the year:

	Effective	
Rating	Sept. 1, 2009	<b>Hourly</b>
Pumpman	1152	4.82
MM/2nd PM	1086	4.54
QMED-Oiler	1025	4.28
Maint. Man/AB	875	3.66
Able Seaman 1	824	3.44
Able Seaman	779	3.27
Maint. Seaman	676	2.84
Fleet Chef	1077	4.50
Cook	805	3.38

#### **OVERTIME AND PENALTY PAYMENTS**

Effective September 1, 2009, hourly overtime and penalty rates of pay, as provided for within the Agreement, shall be as follows:

RATING	OT	PT
Pumpman	27.24	7.92
MM/2nd PM	25.70	7.47
QMED-Oiler	24.27	7.63
Maint. Man/AB	20.76	7.32
Able Seaman 1	19.52	7.76
Able Seaman	18.40	7.32
Maint. Seaman	15.98	5.70
Fleet Chef	25.51	7.47
Cook	19.12	7.32

#### Reminder:

If you need to renew your MMC and STCW, start the process at least six months in advance. And if you have any medical conditions, it's a good idea to start earlier. Hopefully, this will keep you from going off pay.

#### THE TANK CLEANING OFF-WATCH RATES

**Effective** 

	Sept. 1, 2009
Entry Ratings	18.76
AB and other ratings	23.25
If tank or bilge is not entered	d:
QMED, PM	23.25
If tank or bilge is entered:	
QMED	27.32
PM	30.70

# Secure Flight Program rolls out

Effective August 15, 2009, the U.S. Department of Homeland Security (DHS) and the Transportation Security Administration (TSA) will begin implementing a new program called "Secure Flight" which will require travelers to provide their gender, date of birth, and complete name as it appears on a government-issued identification document (such as a TWIC or MMC). What is Secure Flight and what does it do? Secure Flight is a behind the scenes program that streamlines the watch list matching process. It will improve the travel experience for all passengers, including those who have been misidentified in the past.

This information will need to be provided when booking your travel and if not done at that time, may result in a denial of online check in, or require you to provide the data at the airport, and/or subject you to additional screening and potential delays.

SeaRiver has provided their in-house travel agency with this information for each Fleet employee. They will begin to populate your travel profile with the info but we suggest that when you contact them for your next trip you ask if they have the information in your profile. Our understanding is that this information will be available to the carrier when your flight is booked and available to the agent when you check in. It will probably not show up on your itinerary or paper ticket. More information is available on the following link: www. http://www.tsa.gov/what\_we\_do/layers/secureflight/index.shtm.

#### **ESU News**

## Safe Driving Training rolled out

In early May, SeaRiver Maritime rolled out a Company wide initiative called "Passenger & Service Vehicle Safety Management Guide" (PVMG), a DVD was sent out to all vessels and is available to anyone interested to complete the "PVMG Occasional Driver, Driving Safety Training" that was created by ExxonMobil.

The Company defines "Driving on Company Business" as driving to and from business locations for business purposes and includes driving Company owned or leased vehicles; rental vehicles for which the rental is being paid by the company and also privately owned vehicles for which the driver is eligible to be reimbursed. Travel to and from a Company function is included.

For Fleet personnel, the PVMG primarily applies when driving a Company rented car during shipyard work and when it is necessary to drive on other Company business. The information in the Driving Safety Training is also useful for personal driving. The training is easy to complete and it is accomplished by taking the ExxonMobil PVMG Occasional Driver, Driving Safety Training DVD, it takes about an hour. For unlicensed personnel it is voluntary and are encouraged to complete the training, a code has been set up in SPA's for this training. Crewmembers are to print a certificate and submit it to the Master for entry into SPA's.

The DVD is a program made up of a series of slides. There are buttons in the lower right corner that allow you to go; Forward, Back or Pause you must click on the forward button to move to the next slide in essence you control the pace/speed, it allows you to temporarily exit the program by clicking on the X in the upper right corner, then when you restart again it will return where you left off.

If you also would like to obtain a copy you can request it by contacting Rick Dunn or sending an e-mail to <u>richard.t.dunn@exxonmobil.com</u> or call 713-656-2775.

For those who use an automobile for business travel the current mileage reimbursement is 55 cents per mile. Reimbursements made using this rate will satisfy IRS accounting requirements and will not be included in the employee's W-2 income or subject to withholding.

Under the current Collective Bargaining Agreement unlicensed employees are permitted to use an automobile for business travel and receive reimbursement from the company. Article IX, Section 6 and paragraph A of the current of the Collective Bargaining Agreement describes the contractual right to receipt of this reimbursement. Requests for mileage reimbursements should be submitted to the appropriate Fleet Manning contact.

#### West Coast Sailors in high demand



On board the Sierra, members AB Alan Bostwick and FC Randall Rockel get to the West Coast Sailors newspaper the moment it arrives onboard the ship. They enjoy and look forward to reading the newspaper, which is a good source for information regarding our industry and an excellent way to stay informed.

## Ship reports

#### S/R American Progress

Vessel boarded by ESU on July 27, at Valero in Corpus Christi, TX. Ves- on June 24, for cold lay-up. There are sel is now trading between Corpus no crewmembers assigned to the ves-Christi, TX and Tampa, FL. Regular Ship Rep. Rudy Benavides going home on vacation and reports no problems, QMED Eric Bush stepping up to the plate to fill in for Rudy.

#### S/R Baytown

The vessel arrived in Labuan on July 18, for cold lay-up. Part of the crew left shortly after arrival and the remaining crew departed the ship by the 25th. The vessel is required to complete a shipyard repair period before returning to service. The Company continues to access when this may occur.

#### Kodiak

The Kodiak has been trading regularly between Valdez and San Francisco for the past couple of months. AB Thomas Mallory filling in as temporary Ship Representative.

#### S/R Long Beach

The Long Beach arrived in Labuan sel at this time. Future plans for the vessel are unknown at the present time.

#### Sierra

ESU Board officer visited the vessel at Shell in Anacortes, WA on July 20th. Vessel was at anchor for a few days at both Anacortes and Port Angeles due to a temporary reduction in ANS output. AB William Hayes stepping in as temporary Ship Representative.

#### S/R Wilmington

Board officer visited the vessel in Beaumont, TX on August 14. Joe Butler filling in, as Ship Rep. Vessel mail was not being delivered very timely from the agent. The issued was addressed shore side and hopefully service will improve. Vessel is performing well in its new trade between Beaumont and Ft. Lauderdale.

# Deck Department Trustee



From left to right: MS Jonathan Straley and Deck Trustee Pat Campbell on the bridge wing of the SR Baytown on their way to Labuan. The two were amongst the last crewmembers leaving the vessel after the preparations and work was done for the vessel to enter a cold lay-up status. Photo taken by Ship Rep. Joe Bernavich

## Three amendments to the **Constitution and By-Laws**

In the June edition of the ESU NEWS, an article was published regarding three proposed amendments to the ESU Constitution and By-Laws. Petitions for the necessary signatures and explanations were sent to all vessels during June. In early August, the ESU office received the required number of signatures to place the proposed amendments on a ballot for voting. The necessary number of signatures needed was at least 47 or 30% of the membership. At the time the ballot was mailed the ESU office had received 63 signatures out of 155 eligible members.

As the procedure states in the Constitution and By-Laws, the Executive Board has 90 days to put the proposed amendments out for voting. The American Arbitration Association will conduct and oversee the vote, which will run from August 5, 2009 thru 12 p.m. on October 6, 2009. All members should have their ballots and explanation of the amendments by now. Every ship should have some extra ballots, so if you have did receive a ballot, please see your Ship Representative. The Amendments are as follows:

#### Amendment 1

Simplify the nomination process for candidates to seek Union office. Currently, under Article V, of the ESU Constitution, candidates are required to obtain signatures from members in good standing in order to stand for election to any Union office (25 for the Executive Board and 15 for Ship Representatives). The proposed amendment will eliminate the signature requirement. Candidates that wish to run for Union office will be allowed to submit a "Candidate Intent Form" for the particular office that the individual is seeking directly to the ESU office by the designated deadline. The old way of collecting signatures can be logistically difficult and as long as a member is qualified to seek Union office he should be allowed and encouraged to have his/her name on the ballot.

#### **Amendment 2**

Call meetings of the Union at least once a month when aboard, read all communications to the members, record the minutes of the meetings and (may) post the same on the Union's bulletin board, (and) forward a copy to the Exxon Seamen's Union office. Add the following words in the above parenthesis to current language. Some minutes may contain sensitive information about the meeting and posting may not be prudent. Judgment can be used by the Ship Rep. in posting the minutes. Minutes should still be made available to the members aboard and a copy sent to the ESU office.

#### Amendment 3

Proposed amendment pertains to voting eligibility. Currently, for voting purposes a member must be in good standing for at least three (3) months before the beginning of any voting period. The proposed amendment would delete this language and the following stipulation would apply to voting eligibility: "To be eligible to vote in an election, a member must have his dues paid up through the month prior to the month in which the election or balloting period begins."

If you have any questions, please feel free to talk with your Ship Representative or call the ESU office. All members are urged to take a look at the proposed amendments and certainly the ESU Board urges all members to exercise their right to VOTE.

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

Founded March 28, 1941

Affiliated with the Sailors' Union of the Pacific 913-A Hardesty Avenue, Seabrook, TX 77586 Tel (281) 474-2430 Fax (281) 474-2463 E-Mail: esusea@sbcglobal.net

President/Secretary John Straley

Vice President/Treasurer Leo DeCastro **Board Member at Large Frank O'Malia Board Member at Large John McCarthy**  **Deck Trustee Pat Campbell Engine Trustee William Ackley Steward Trustee Kurt Kreick** 

# New York Waterfront Commission plagued by abuse and corruption, says N.Y. State Inspector General

The Waterfront Commission of New York Harbor failed in its duty at the Port of New York and New Jersey, allowing "numerous abuses of authority in hiring, supervision and fiscal oversight," according to a report by New York State Inspector General Joseph Fisch.

In a report released August 11, the Inspector General concluded that former New Jersey Commissioner Michael Madonna, former New York Commissioner Michael Axelrod and former Executive Director Thomas De Maria failed to "adequately or responsibly oversee" operations. The 60-page document details the licensing of a convicted felon, misuse of federal Homeland Security funds and the failure to issue a single permanent license to harbor companies for more than a decade.

"This was a total agency breakdown," Inspector General Fisch said. "Instead of ridding the waterfront of corruption, this agency itself was corrupt."

The bi-state Waterfront Commission was created in 1953 to deter criminal activity reflected in the classic film "On the Waterfront" and to ensure fair hiring at the Port of New York and New Jersey. Each state appoints one commissioner to the commission, which licenses companies operating in the harbor. The Commission has about 100 employees and an annual budget of more than \$11 million.

Inspector General Fisch praised Governor David A. Paterson for appointing Ronald Goldstock as New York Commissioner last year; a move which Fisch said sparked a reformation of the Waterfront Commission. He also commended New Jersey Governor Jon S. Corzine, who, when advised of the Inspector General's findings, fired Commissioner Madonna.

The report concludes that improprieties flourished under Commissioner Madonna and catalogs abuse at the highest levels of management. They include:

Commissioner Madonna forced unqualified applicants on the police department. He recommended James Sutera, who failed the required test twice, then scored the highest mark ever recorded by an applicant on his third try. Sutera boasted to Commission staff that Madonna had given him the answers, which he then gave to another would-be detective. Despite an obvious conflict of interest, Commissioner Madonna oversaw employees of the Commission's Police Division while at the same time serving as their bargaining boss for the seven years he was president of the New Jersey State Policemen's Benevolent Association.

Commissioner Madonna interfered with an internal investigation by ordering the police chief to retract findings. He then punished the whistleblower, a police lieutenant, with a retaliatory transfer from Brooklyn to New Jersey.

Commissioner Madonna had an employee deliver building materials from the port to his home.

Former General Counsel Jon Deutsch, in direct violation of the Waterfront Commission Act, helped felon Frank Cardaci concoct a scheme to keep his port business despite a federal racketeering conviction for storing illegally diverted international goods in his port warehouse.

Deutsch disguised the drug-related conviction of a longtime acquaintance, Brendan McDermott, to help him get a port job.

Commissioner Axelrod gave official "police" placards to his wife and a wealthy personal friend with no link to the Commission and kept his placards after leaving his job.

As stevedore audits lapsed more than a decade behind schedule, Director of Audit and Control Frank Nastasi often kept his door closed, ran a private tax preparation business at work and accessed pornography on his office computer.

Then Acting Chief of Police Kevin McGowan regularly diverted two detectives from law enforcement duties in Brooklyn to guard choice parking spots in lower Manhattan for executive staff. In addition, the Waterfront Commission failed to keep track of more than \$600,000 in Homeland Security grant money. It used a patrol boat - paid for by a second \$170,000 Homeland Security grant - to escort guests and VIPs during Fleet Week and other events. The boat was supposed to be "capable of early detection of a waterborne attack' and used to "deploy officers ... at high risk target locations such as the NYC Passenger Ship Terminal, Cape Liberty Cruise Port in Bayonne."

Throughout the investigation, the Inspector General alerted Commission Ronald Goldstock and the new Executive Director Walter Arsenault of the most egregious abuses so that reforms could begin immediately. During that time, a number of changes took place. In March 2008, Executive Director De Maria resigned. In October 2008, General Counsel Deutsch was fired for misconduct.

## **Suez Canal income drops**

The Suez Canal's income dropped 22% over the past year to \$382.9 million, according to the Egyptian government.

In the fiscal year to the end of June, canal revenue fell 7.2% year-on-year to \$4.74 billion, compared with the record income recorded in 2007-2008.

In the 12-month period ending in June 2009, the number of ships transiting the canal fell to 19,354 vessels, a drop of 8.18% from 2007-2008 figures. In the same period, the volume of goods passing through the canal was 811.9 million tons, a decline of 8.9% from the 890 million tons of the previous year.

#### "The future of labor is the future of America"

John L. Lewis (1880-1969)

Former President of the United Mine Workers of America

## Welfare Notes

#### August 2009

#### Seafarers' Medical Center Constructed Drug Screens

The Seafarers' Medical Center staff would like to remind seamen of the importance of using the constructed drug screen program to keep their drug screens updated.

To construct a drug screen, 60 days of employment are needed with the active random drug screen program. The 60 days are counted over a 6-month period. The 60 days are not required to be in consecutive employment over the 6-months period.

To get a constructed drug screen, you need to bring in your discharges or pay check stubs to the Clinic. The date on the drug screen card goes forward 4 months and 5 days from the last discharge date. You can rollover the expiration date on the constructed drug screen with each new discharge for another 4 months and 5 days unless you are off work for a 6-month period.

If you are unemployed for 6 months, then you are required to start over and would need 60 days of employment for the constructed drug screen. A complete drug screen should be taken at that time.

The constructed drug screen is a very cost effective procedure as it allows the Seafarers' Medical Center to save the cost of laboratory testing for a complete drug screen.

If you have any questions, you can contact the Seafarers' Medical Center directly at 415-392-3611.

Michelle Chang, Administrator mcsupsiupd@sbcglobal.net
Patty Martin martinpatty59@sbcglobal.net
Virginia Briggs Claims vbriggs80@sbcglobal.net
Michael Jacyna Eligibility mjacyna67@sbcglobal.net
Training Representative Berit Eriksson 415-957-1816
berittrainrep@sbcglobal.net

SUP Welfare Plan
730 Harrison Street, #415
San Francisco, CA 94107
Phone Numbers: 415-778-5490 or 1-800-796-8003
Fax: 415-778-5495
SIU-PD Pension Plan 415-764-4987
SIU-PD Supplemental Benefits 415-764-4991

## Sailors perish in Typhoon Morakot

The Chinese panamax bulk carrier *Chang Ying* sunk off the southern coast of Taiwan during Typhoon Morakot, which battered Taiwan and China over the weekend of August 8-9. Contact was lost with the 1976-built, 61,375 dwt ship, which had 22 mariners on board, after the vessel started taking on water on August 8. The Panama-flagged vessel is owned by Shandong Shipping Group.

The *Chang Ying* was one of several shipping casualties caused by the typhoon. Eight seafarers were missing after the cargoship *Daqing 254* was blown on to Qingshan Island near Ningde in Fujian province. Xinhua news agency said more than 48,000 vessels were recalled to ports in Fujian and 155 passenger vessel sailings were cancelled.

#### Minimum wage increased—10 million see more pay

On July 24, nearly 10 million workers in 31 states got a raise when the federal minimum wage increases by 70 cents to \$7.25 an hour.

This increase is the last of three provided by the enactment of the Fair Minimum Wage Act of 2007, which amended the Fair Labor Standards Act to raise the federal minimum wage in three steps: to \$5.85 per hour effective July 24, 2007; to \$6.55 per hour effective July 24, 2008; and now to \$7.25 per hour.

AFL-CIO President John Sweeney said the raise will act as a significant economic stimulus "at a moment when it is critically needed—one that will lift all boats so Americans and businesses can stay afloat and ride out this economic storm."

The raise will put an extra \$2,000 a year into the paychecks of a full-time minimum wage worker. According to the Economic Policy Institute, that increase will generate \$5.5 billion in consumer spending over the next year—providing a boost to the economy without any increase in government spending. "This is money that will be spent," Sweeney said, "on basic necessities such as groceries, electricity, rent and transportation."

This is not money that will be saved for a rainy day or spent on lavish vacations overseas. Now, that's not a bad return on a 70-cent-an-hour investment. Indeed, a 2008 study by the Federal Reserve Bank of Chicago confirmed that minimum wage increases boost consumer spending substantially more than tax cuts do.

The pay hike is the last of the three-step minimum wage increase Congress passed in 2007, which was the first such increase since 1997. Congressional Republicans and the Bush administration had blocked a raise for the nation's lowest-paid workers for a decade.

Labor Secretary Hilda Solis said the increase is an "important step in the right direction" to improve the lives of working families. "This well-deserved increase will help workers better provide for their families in the face of today's economic challenges. I am especially pleased that the change will benefit working women, who make up two-thirds of minimum wage earners."

# AFL-CIO urges more federal economic action

[Editor's note: On July 28, the AFL-CIO Executive Council met and issued the following statement.]

The legacy of the Bush Administration has been a perfect storm of economic devastation — in finance, housing and jobs. The challenge of fixing this economic mess is enormous and urgent. Creating good jobs that cannot be outsourced is central to the solution.

Despite much-touted "green shoots," the prognosis for the U.S. economy keeps getting worse. The official unemployment rate hit 9.5% in June and is likely to exceed 10% by later this year and remain high throughout 2010 – when midterm elections will take place. We have lost an extraordinary 6.5 million jobs since the onset of the recession, and we are 8.8 million jobs short of where we should be, taking into account the growing working age population.

This is the sharpest loss of jobs and the greatest increase in unemployment of any downturn since the 1930s — and we have not yet hit bottom. Rapidly rising unemployment has devastated millions of families and their communities, and its consequences for the quality of bank assets, particularly home mortgages, threatens what progress has been made in stabilizing our financial system.

Of course, the official unemployment rate does not even begin to tell the whole story: stagnant wages and falling hours, discouraged workers, long-term unemployment, and spikes for particular sectors and population groups all contribute to the depth and breadth of the labormarket crisis we are facing. As Lawrence Mishel of the Economic Policy Institute (EPI) told the *Washington Post* recently, "There is a ton of pain in the pipeline."

The number of workers who have given up looking for a job or who have been forced to settle for a part-time job is reaching record proportions, with 16.5% of workers under-employed or unemployed in June — more than 25 million workers. Almost 30% of unemployed workers have been out of work more than six months, and more than 600,000 will exhaust their unemployment benefits by September if nothing is done.

The job losses are spread throughout the economy –and so is the pain. Since the recession began in December 2007, we have lost 1.9 million manufacturing jobs and 1.3 million construction jobs – often the most vulnerable sectors in an economic downturn. But unlike past recessions, the job losses are not confined to a few sectors. 1.5 million jobs have been lost in professional and business services, as well as almost 400,000 in transportation and another 848,000 in temporary help services. Fourteen states already have unemployment rates over 10%.

An unemployment rate of 10% corresponds roughly to 18% of the workforce unemployed or underemployed in a given month. If current projections hold, over the course of twelve months, roughly a third of the workforce could be unemployed or underemployed. A 10% national unemployment rate implies an unemployment rate of 16-18% in the Hispanic and African-American communities, with 36-40% unemployed or underemploved over the course of twelve months. Blue-collar unemployment is now 14.7% and adult male unemployment has already hit 10%. The average length of unemployment is now

24.5 weeks, the highest level on record. If unemployment continues to grow, child poverty could reach 27%, and black child poverty more than 50%.

Those lucky enough to have jobs are not escaping the adverse impact of the downturn. High unemployment has hammered wages, which grew at only a 1.4% annual rate over the last six months, while weekly earnings actually fell because of shorter work hours. Wage cuts and unpaid furloughs are occurring in many workplaces, and some employers have stopped contributing to their pension plans. As the recession continues and unemployment stays high, it can be expected that wages for most workers will not keep pace with inflation in the near future.

The toll of unemployment, underemployment, retrenched work hours and eroded wages will be broad-based declines in family income and increased poverty and economic distress. It will be several years before incomes return to their pre-recession level of 2007 — already a disappointingly low level because of the weakness of the last "recovery."

It is crystal clear that urgent action from the federal government is needed to boost economic growth and jobs, and invest in America's future: we need a second installment on the Obama Administration's economic recovery program, and this second installment must focus like a laser beam on job creation. This is not the time to fret about budget deficits or inflation. It is entirely appropriate to enact policies that will temporarily increase fiscal deficits for a year or two in order to generate jobs and income during this economic crisis. At this critical juncture, the consequences of the government failing to act on a sufficient scale and in the right way could be catastrophic.

The American Recovery and Reinvestment Act (ARRA) was a bold and well-crafted program to generate and save jobs, to provide social supports for those in need and to lay the foundation for future growth. It has already started delivering and is on track to generate roughly three million jobs and to lower unemployment by up to two percentage points.

Unfortunately, because of the confluence of so many long-term negative trends in place for many years, the economy and the labor market have seriously deteriorated since the ARRA was designed, and the original economic recovery plan is no longer sufficient. Last November the blue-chip consensus was for 7.7% unemployment at the end of 2009. By March, the consensus forecast was for 9.2% unemployment in late 2009, despite the passage of a much larger stimulus than expected in November. Clearly, the economy the Obama Administration inherited was in deep trouble and in even worse shape than generally realized in the spring.

This recession is global, so a coordinated global response is crucial to any successful recovery. The U.S. government must show leadership in the international G-8 and G-20 meetings to insist that the major economies come together and agree on coordinated fiscal stimulus and a coherent financial regulation strategy.

Since the onset of the recession, U.S. households have lost \$14 trillion in wealth from the collapse of the housing bubble and the erosion in stock values – approximately an entire year's output. Dean Baker of the Center for Eco-

nomic and Policy Research estimates that our economy now faces a demand shortfall of \$2.6 trillion over this year and next. The ARRA is simply too small to fill a hole this big in the economy, and no amount of waiting and false optimism will change that uncomfortable economic fact.

Our growth model in recent decades—debt-financed consumer spending and asset bubbles, combined with huge trade deficits—has failed. We cannot borrow and outsource our way to prosperity: without good jobs in America, there will be no sustainable economic recovery. As private demand pulls back and Americans rebuild their savings, the most effective path to sustainable growth is an ambitious public investment agenda.

There is no viable alternative to public investment right now. In the private sector, consumer demand will continue to be depressed by unemployment, stagnant wages, and the erosion of stock market and housing wealth. Exports will not be a source of growth because global demand is plummeting and the dollar is still overvalued. Meanwhile, the Federal Reserve's reductions of short-term interest rates have failed to spark a recovery, and taxpayers ended up saving much of the tax cuts that were included in the last two stimulus bills rather than spending them. It will require public investment and other spending to boost demand and create jobs directly. This must also be coupled with efforts to ensure that credit is made available to manufacturing interests to help stimulate production and job creation.

Concerns over inflation are unwarranted. The most recent reports indicate that inflation is stabilizing at a level near zero, and on June 24, the Federal Reserve predicted that inflation will remain "subdued for some time."

Concerns over budget deficits are exaggerated, especially for consideration of policies that will increase deficits only in the short-term. An effective economic recovery package will boost growth (and tax revenues), while also increasing future productivity and competitiveness.

The challenge is to mitigate the rise in unemployment, lessen the adverse impact of the downturn on those affected, and generate good jobs to ensure a robust recovery. At the same time, we should rebuild and modernize our crumbling infrastructure and revitalize our manufacturing sector, while ensuring that our public sector can provide the services we count on to keep our communities safe and our families healthy.

We should extend unemployment benefits immediately, by at least seven weeks, to help the hundreds of thousands of workers who would otherwise exhaust their benefits in the near term. We should also increase food stamp spending as needed to help families cope with the downturn.

We should increase aid to state and local governments. We also need to bolster the financial stability of independent government agencies such as the U.S. Postal Service. As states and local governments cut back spending and jobs to balance their budgets, they are exacerbating the recession—offsetting the ARRA—undercutting future growth, failing to assist vulnerable families, and leaving our communities less safe and secure. The Center on Budget and Policy Priorities (CBPP) calculates the shortfall of state budgets at \$350 billion for 2009 through

the first half of 2011, leaving a short-fall of \$210 billion after passage of the ARRA. Goldman-Sachs projects that state actions to adjust their budgets will penalize national growth over the next twelve months by 0.6-0.7%.

State cutbacks threaten vital services and jobs, including health and education, police and firefighting, transportation and other public services. According to CBPP, at least 21 states are cutting health insurance or services for low-income children and families; at least 24 states are cutting or proposing to cut K-12 and early education; at least 32 states have implemented cuts to public colleges and universities. In addition, at least 41 states and the District of Columbia are cutting hours and jobs for state government employees.

We should increase spending for needed infrastructure and clean energy projects, even for those projects with a time horizon longer than two years. Every billion dollars invested in transportation systems and infrastructure puts 30,000 people to work. New investments in aviation, highways, mass transit, rail, ports and waterways will stimulate major job creation, improve our deteriorating infrastructure, and support U.S. manufacturing and production jobs. To the absolute maximum extent possible, we should ensure that we use American-made inputs and manufactured goods in all recovery-funded projects. We should be neither defensive, nor apologetic, for using the Buy American provisions supported by the American public and legislated by the Congress. As President Obama has said, we need sustained public investment-led growth to restore our country's competitiveness. But no investment plan will succeed if we don't make more of what we buy here at home.

And we should look to historical precedent for other effective and successful job creation examples. The Works Progress Administration, led by Harry Hopkins during the Roosevelt Administration, put 3.4 million Americans to work in one year – 1935 – in thousands of projects that had a lasting impact on our national life. Such an effort can be developed to provide employment in distressed communities.

President Roosevelt's strategy can be re-engineered to help revitalize the modern manufacturing sector. Today's unemployed can be put to work renovating factories and public structures and installing new equipment. New financing and marketing plans for local manufacturers should also be developed to support domestic production and jobs.

And to revitalize our industrial base, we must also invest in our technical knowledge base. Two years of technical training should be offered to recent high school graduates and recently unemployed adults. Tuition at community colleges, universities and technology institutes should be subsidized by the federal government, as it was after World War II. Every American worker should be given the opportunity to acquire the skills and education he or she needs to reach peak potential.

We must act decisively at this critical moment in time. We must meet the considerable challenges we face with actions on a scale appropriate to the crisis, while also keeping in mind the kind of economy and country we hope to build for our children.



# **SUP President's Report**

August 10, 2009

#### SUP ELECTION: NOMINATIONS

In accordance with Article XII of the SUP Constitution, nomination of regular Union officers for the 2010-2012 term shall be made at the Headquarters and Branch meetings in September.

Written notice of this fact shall be published in the August edition of the *West Coast Sailors* and posted in all halls.

Any eligible member may place his/her own name in nomination for any regular office or may be nominated by another member.

Nominations may be made either in person or by mail; however, any nomination made by mail must be received at the Branch or Headquarters at least one day prior to the meeting at which nominations will be received.

The Headquarters meeting is on September 14, 2009, and the Branch meetings are on September 21, 2009.

The names and membership numbers shall be recorded in the minutes. The Committee on Candidates/Balloting Committee, which will be elected at the September Headquarters meeting, shall prepare a list of names and nominees for each office and forward copies thereof to each Branch. Such lists will be conspicuously posted in each office or hall. All nominees shall be notified by mail of their nomination and such notice shall be mailed within five working days after the nominating meeting.

All nominees who desire to become a candidate shall have the necessary qualifications and acceptance in the office of the Committee on Candidates (c/o Sailors' Union of the Pacific, 450 Harrison Street, San Francisco, CA 94105) prior to midnight of October 14, 2009.

Any member of the Union shall be eligible to be a candidate for and hold any regular office, provided he/she possesses the following qualifications:

·He/She is a member in good standing at the time of nomination.

·He/She achieved "B" seniority as defined in the SUP Shipping Rules; and

·He/She is not disqualified by law. A member shall not be eligible to be a candidate for and hold any regular office if within the past five years he/she has been convicted of, or served any part of a prison term resulting from conviction of robbery, bribery, extortion, embezzlement, grand larceny, burglary, arson, violation of narcotics laws, murder, rape, assault with intent to kill, assault which inflicts grievous bodily injury, or violation of Title II or III of the Landrum-Griffin Act, or conspiracy to commit any such crimes.

The regular Union offices for the 2010-2012 term shall be in accordance with Article X of the SUP Constitution: one President/Secretary-Treasurer, one Vice President/Assistant Secretary-Treasurer, one Seattle Branch Agent, one Wilmington Branch Agent, one Honolulu Branch Agent, one San Francisco Business Agent and five Trustees for the SUP Building Corporation, two of whom do not hold any other Union office. In addition, three delegates to the SIUNA Convention, which will be held in 2012, are subject to the nominating procedure.

In accordance with Article XII of the SUP Constitution, no one may be a candidate for more than one office with the exception of the position of Trustee of the SUP Building Corporation and delegate to the SIUNA Convention.

Balloting for Union officers and proposed amendments to the SUP Constitution and SUP Shipping rules will begin on December 1, 2009, and end on January 31, 2010.

It should be noted that a proposition will be on the ballot to amend Article XII of the Constitution would change the term of office from two to three years. If this amendment passes by the necessary two-thirds majority, the term for officers will commence on March 1, 2010, and end on February 28, 2013.

#### THE GLOBAL RECESSION

The vicious global recession has affected workers and businesses all over the United States. For three SUP-contracted companies the following are recent bottom-line results:

Alexander & Baldwin, the parent company of Matson Navigation Company, reported net income dropped 57% for the second quarter of 2009, to \$12.6 million compared to \$29.6 million for the same period last year. However, Matson returned to profitability earning \$21.1 million for the quarter despite a 19% drop in revenue.

Chevron Corporation's profits plunged 71% in the second quarter of 2009 to the lowest levels in five years. Chevron, the nation's second largest oil company, made \$1.75 billion for the quarter. During the same three months last year, the company's profits hit \$5.98 billion. Although Chevron Shipping Company has not laid-up any vessels, a couple have been stuck waiting for cargo. Industry analysts project a weak Jones Act tanker trade through 2010.

Neptune Orient Lines, the parent company of APL, lost \$391 million in the first half of 2009 compared to a profit of \$196 million in the first six months of 2008.

#### FOSS MARITIME COMPANY

As reported last month, SUP members employed by Foss in the company's bunkering and tug operations in San Francisco Bay caucused on June 29 and 30, on company proposals for economic adjustments to the 2008-2012 collective bargaining agreement in light of the worldwide economic recession and its impact on Foss' business on the Pacific Coast.

Based on the caucuses there was a consensus reached as to what adjustment to propose to the company, if so requested, that would have the least impact on the membership and avoid layoffs.

At the request of the company, Vice President Dave Connolly and your secretary met with Mike O'Connor, Foss Director of Labor Relations and Dan Massey, Northern California Regional Operations Manager on July 27. The company representatives submitted credible data that showed that the amount of petroleum handled in the bunkering operation had declined almost 17% from January through June of this year as compared to the same period in 2008.

Therefore, the Union (based on the membership caucuses) agreed to the following, temporary amendment to the agreement:

## **SECTION 31 - Scheduled Tankermen** 31.04 Hours for Scheduled Tankermen

For the mutual benefit and convenience of the Company and the employees, the scheduled hours of work for employees shall be 12 consecutive hours per day, beginning at 1200 or 2400, one week on duty and one week off duty. At the Company's option, PM tankermen may be assigned to work a schedule from 1200 to 2400. During the week on duty period, employees are guaranteed to work a total of 84 regular hours. The Company shall endeavor to maintain this schedule, however, the schedule may be changed by the Company to ensure the continued safe and efficient operation of the vessels. The Company shall advise the Union prior to implementing a change. The Company shall provide written schedules of time off to each employee at least seven (7) days before the end of each month for the following month. When a scheduled tankerman is out while being paid due to sick leave, vacation, etc., and the barge to which he/she is assigned will be idle for the entire 12-hour watch, a relief for that watch will not be required (for a period of six months effective August 1, 2009, ending January 31, 2010, unless extended by the Union).

It should be noted that Foss has downsized its operations and has laid off people in Seattle, the Columbia River and Los Angeles.

Recommend membership ratification of the amendment to the Agreement.

#### MATSON MAINTENANCE AGREEMENT

Two sections of the SUP/Matson Navigation Company Maintenance Agreement regarding sick leave were inadvertently not printed in the 2008-2013 agreement booklet. Those sections are:

#### Section 17. Sick Leave

a) Effective July 1, 2005, employees covered by this Agreement shall be entitled to a maximum of ten days' sick leave per year, provided that any absence of more than two consecutive days will be supported by a doctor's certification of illness. One day of sick leave is earned upon completion of 36 calendar days' covered employment.

b) Maintenance Gang members, who do not use all of their ten days sick leave in a year measured from their anniversary date, may carry over the unused portion to allow the Maintenance Gang members to accrue up to 60 days of sick leave. If a Maintenance Gang member does not use all of his sick leave, no pay in lieu shall be granted.

Advise that these sections be clipped and added to the Agreement booklet on Page 43.

# ORGANIZATION

In 2006, the International Labor Organization (ILO)—an agency of the United Nations which seeks the promotion of social justice and internationally recognized human and labor rights—adopted a new Maritime Labor Convention (MLC 2006). The Convention is a single document embodying all existing international maritime labor conventions related to the fundamental rights of seafarers. It consolidates and updates more than 65 international maritime labor standards which have been adopted over the last 80 years.

Former SUP Secretary Andrew Furuseth spearheaded the fight for decent conditions for mariners on an international level after successfully leading the effort to pass the Seamen's Act of 1915, which freed American seafarers from bondage and set conditions that those who go to sea for a living in this country enjoy today. With the advent of the flag-of-convenience system in the 1930's and its growth after World War II, former SUP secretaries Harry Lundeberg and Morris Weisberger continued to be active participants in the international effort to improve wages and standardize conditions for foreign mariners. Many of the international accords being consolidated into the new Maritime Labor Convention are the result of the work of the Sailors' Union, the now defunct International Seamen's Union of America, and the Seafarers International Union of North America. The new Convention enumerates seafarers' rights regarding working conditions on a wide range of subjects and is intended to be globally applicable, easily understandable, readily updatable and uniformly enforced.

The Convention has been under review by the U.S. government for the last three years to determine its effects on U.S. laws and regulations pertaining to American mariners. The U.S. Coast Guard has taken the lead in vetting the document.

In order to formulate a unified position and to answer Coast Guard questions related to maritime labor's collective bargaining agreements with U.S.-flag operators, the SUP, MFOW, SIU, MM&P, MEBA and AMO caucused on July 29, in the Maritime Trades Department offices at AFL-CIO Headquarters in Washington, D.C.

In attendance were MFOW President Anthony Poplawski, SIUNA Secretary-Treasurer Dave Heindel, MEBA President Don Keefe, MEBA Secretary-Treasurer Bill Van Loo, MEBA Contracts Officer Mark Gallagher, MEBA Attorney Nils Djusberg, AMO Representative Mike Murphy, MIRAID President Jim Patti (representing MM&P), International Transport Work-

#### President's Report continued =

ers Federation (ITF) Secretary for Seafarers, Fisheries & Inland Navigation John Wilton, and your secretary.

All Unions present were supportive of the Convention, despite its minor flaws, as it includes good provisions for the health, safety, protection and repatriation rights of international seafarers. It is expected that the Convention will be ratified by the United States.

#### MTD AND AFL-CIO CONVENTIONS

Your secretary has been designated as one of the delegates from the Seafarers International Union of North America (SIUNA) to the 2009 Quadrennial Convention of the Maritime Trades Department, AFL-CIO, in Pittsburgh, Pennsylvania on September 10 and 11. Have also been designated as a delegate to the 26th Constitutional Convention of the American Federation of Labor-Congress of Industrial Organizations (AFL-CIO) in Pittsburgh from September 13 through September 17

If Union business permits, plan to attend both conventions.

#### LABOR DAY

All SUP halls will be closed on Monday, September 7, in observance of Labor Day, which is a holiday under all SUP agreements.

Advise those planning to come to Headquarters that the San Francisco-Oakland Bay Bridge will be closed for construction from 8:00 P.M. on Thursday, September 3, until 5:00 A.M. on Tuesday, September 8.

#### **ACTION TAKEN**

M/S to ratify the amendment to the Foss agreement. Carried unanimously. M/S to concur with balance of the President's report. Carried unanimously.

Gunnar Lundeberg

# Congressman again calls on Navy to protect U.S. merchant vessels from pirate attack

In an August 10 opinion piece in the Baltimore Sun, Congressman Elijah Cummings (D-Maryland) has called on the U.S. government to provide force protection to American-flagged ships in pirate-infested waters. Cummings, who is Chairman of the House Subcommittee on Coast Guard and Maritime Transportation, has authored an amendment to the National Defense Authorization Act that would require the Department of Defense to place small teams of armed security aboard "those few U.S.-flagged ships truly at risk of being boarded when they carry U.S. government cargo through an area where there is a high risk of piracy."

Cummings said the U.S. Navy and our country's allies "have done a commendable job in mounting an international anti-piracy operation in the Gulf of Aden." He added, however, that a number of U.S. merchant ships —most of them carrying American aid— are required to travel outside the transit lanes patrolled by this international maritime presence and "through the heart of pirate-infested waters."

"Protecting both American lives and U.S. shipping on the high seas has been a core function of the U.S. Navy since its creation. Inexplicably, however, senior officials at the Department of Defense have repeatedly argued before Congress that the area in which Somali pirates operate is so vast they simply cannot prevent every attack.

This perspective assumes that the only way the military can protect merchant shipping from pirates is to stage vessels across the entire million-square-mile theater of operations.

The United States Maritime Administration estimates that approximately 54 U.S.-flagged vessels transit the Horn of Africa region during the course of a year. Of these, about 40 will carry U.S.-government food aid cargo, and 44 have the ability to carry U.S. military cargo.

Only a handful of these vessels—fewer than 10 in a three-month period—are estimated to be at serious risk of attack due to their operating characteristics.

Providing embedded military security teams on those U.S.-flagged vessels truly at risk of pirate attack would surely require far fewer resources than patrolling a million-square mile area.

Nonetheless, the DOD has responded to this proposal by claiming that deploying such security teams would impair other operational commitments. While our military is obviously fighting multiple combat operations at this time, it is hard to believe that the most powerful military in the world cannot find the relatively few military personnel required to adequately protect a handful of U.S.-flagged ships and their U.S. citizen crews.

My amendment, which has passed the House of Representatives, enjoys the support of U.S. maritime labor unions and U.S. ship owners. As one union official said before my subcommittee, "When a vessel flies the U.S. flag, it becomes an extension of the United States itself, regardless of where in the world the vessel is operating." Surely, protecting U.S. citizens and property was the purpose for which our military forces were created."

The Sailors' Union supports Chairman Cummings amendment.

## **Vice President's Report**

#### August 2009

In addition to the routine responsibilities of the front office, checked the following ships:

#### Ships Checked

**President Adams**: Steve Thompson, delegate. Gus Silva is the bosun. In at NY with no problems. MFOW Vice President Bill O'Brien made the ship.

**Mississippi Voyager**: Dave Mercer, delegate. Bosun Mike Fox has this ship squared away—many large and small improvements since delivery. Marine parking lot congestion in Richmond. Chief Steward Mike Peterson wins kudos from the gang for culinary excellence.

**California Voyager**: Brian Dixon, delegate. Call from the delegate in Texas on a termination issue. Ship laid up for more than a week at anchor awaiting cargo.

**Colorado Voyager**: Rocky Zwiemba, delegate. In at Richmond Long Wharf with no problems. Lots of good discussion on manning and the future disposition of the fleet. After shifting to anchor several new members of the deck gang came to SUP Headquarters to pay dues and to tour the building.

**Washington Voyager**: David Fadoul, delegate. Clarification on watchstanding, security, and travel policy. In good shape.

**Maunawili**: Preston Lau, delegate. Section 33 provides for overtime payment if required to handle and stow engine stores only. Landing such stores on deck, any deck, is a straight time job.

**Maui**: Jesper Pfiel, delegate. Departing Oakland ship lost the plant in the channel. Paul Fuentes on the bow swiftly let go the anchor and saved the ship from a grounding. Bosun Sam Scott and gang made fast the dead ship by hand.

**Moku Pahu**: Shane Lono, delegate. Teo Rojas is back as the bosun. In at Richmond with no beefs. Back on the sugar run to Nawiliwili, Kauai.

**Cape Flattery**: Bob Vandermey, bosun. Small crew shipped to the Beaumont boneyard to offload barges.

USNS Waters: Lesnek Jeziorski, delegate. Termination of an AB for insubordination under investigation.

**Foss Maritime Company**: Mel Jackson, Tom Tynan, Sean Gaddis, delegates. MOU regarding temporary suspension of inactive barge manning practice is in place.

San Francisco Bar Pilots: Steve Ross and Louie Urbano, delegates. Running smooth

Dave Connolly

# SUPPORT THE SUP POLITICAL FUND

# Singapore shipowners and Unions oppose international wage rates

Singapore shipowners and seafarers' Unions are united in opposition to a plan by the International Transport Workers' Federation (ITF) to impose its benchmark wage rates for foreign nationals serving in Singapore-flagged vessels. The ITF is pushing for its benchmark pay rates for seafarers serving under flags of convenience to apply to non-domiciled seafarers serving on national flags such as Singapore, Hong Kong, Norway and Sweden.

Seafarers on national flags are subject to minimum pay rates set by the International Labor Organization. According to Singapore Maritime Officers' Union (SMOU), moving to ITF benchmark rates would increase the average minimum cost to crew a vessel by 66% from \$32,966 to \$54,856.

Both the Singapore Shipping Association (SSA) and the SMOU have raised concerns over the proposed imposition of ITF benchmark pay rates, fearing it could cost jobs and effectively make Singapore a flag of convenience.

SSA Executive Director Daniel Tan said the association was very concerned it could affect the reputation of the Singapore flag and that it would be indirectly branded as a flag of convenience. SMOU General Secretary Thomas Tay agreed it would make the Singapore flag the equivalent of a flag of convenience.

The Singapore registry has 3,971 vessels flying the nation's flag. The SMOU estimates that around 20,000 seafarers are serving on Singapore-flagged vessels at any one time. "By raising the benchmark to ITF wage rate, it will invariably affect the manning cost and operations of Singapore flag ships," Tan said.

While Union head Tay said that in most cases seafarers were paid more than ILO rates, he was concerned that a sharp rise in wages would encourage owners to reflag away from Singapore. He gave the example of an owner with vessels on both the Singapore and China registries employing Chinese nationals to crew its vessels. He asked why the owner would stay with the Singapore flag if seafarers were subject to ITF benchmark rates, while the lower ILO pay rates would apply if the same seafarers were employed on China-flagged vessels.

Tay said the Union might agree to "certain adjustments" but did not want a 66% rise in minimum pay rates forced on Singapore owners employing foreign nationals on their vessels. Asked what action the SSA would take, Tan said: "We will strongly object to any proposed move by the ITF in this direction, especially if it affects our Singapore flag shipowners."

# SUP Branch Reports

## Seattle

#### July 20, 2009

Shipped 11 Able Seaman during the period. The jobs were filled with 3 Acards; 4 B-cards; 3 C-cards and 1 Registrant. 1 Ordinary Seaman and 1 Messperson both to D's.

Registered during the period: 5 A cards for a total of 25; 9 B cards for a total of 27; 3 C cards for a total of 7.

#### Ships checked

Matson ships *Maui* and *Manoa* called twice with little or no trouble. *Kauai* still laid up in Terminal 25. No rumors as to when she will reactivate. APL ships *President Jackson* and *President Polk* called in New York. Big turn over in crew on the *Polk* as half of the deck gang's time was up. Gerry Marshall, Bosun in the Jackson called to say he was in "training mode". That's why we have Bosuns.

I represented the SUP at the following meetings: the King County Labor Council Executive Board meetings; the Puget Sound Marine Exchange Board of Directors meeting; the Propeller Club meeting where Todd Shipyard briefed the group on ship building and repair projects; and the 13th Coast Guard District Change of Command ceremony where Rear Admiral Gary Blore assumed command from Admiral Currier who returns to Washington D.C.

The SUP participated in the King County Labor Council's Political Action Committee's Candidates Forum. The SUP strongly endorses Max Vekich for Port of Seattle Port Commissioner. Max is a member of the ILWU and is a good friend to the Sailors' Union and those who work on or around the waterfront.

Vince O'Halloran Branch Agent

## Wilmington

#### July 20, 2009

Registration: Class A 37; Class B 19; Class C 0

Shipping: Bosnn 2; AB 15; AB-D 7; standby 69; total: 93 jobs shipped.

#### Ship checked

Mahimahi/Mokihana/Maunawili/Korea/Maunalei/Pfeiffer/Thailand/ Manukai/Singapore/Washington Voyager/China/Philippines

Our Labor Day event will be on 9/7/ 09. We will assemble on the corner of E and Broad St. at 07:00. There will be a parade and picnic with barbeque later. Brothers here is your chance to take part in the fight for good jobs and a strong Union. If you cannot make it down to L.A. for Labor Day, you can wear your Union shirts hats and/or labor red arm band. Let's let the country know we are the ones that fight to maintain a decent wage and safe work place for all the working class tax payers. Let those scabs know we are the ones who got them their vacation, 8 hr. day and medical plan. When they say my company gives me good pay just to keep the Union out. Ask what would they give you if there was no Union? Brothers just as the Romans did before they destroyed Carthage we must lift the fighting spirit in one and other. The Romans would greet each other by shaking hands and saying greeting brother and mighty Carthage must fall. Labor Day and every day after we must greet our brothers shake hands and say. Greetings brother a general strike is our option and right. Yes brothers once again a mate tried to take the man on gangway watch and have him tie up a barge. WHEN YOU ARE ON GANG WAY WATCH YOU DO NOT DO ANY OTHER WORK. The company was called and the mate was corrected. As always yours in struggle,

Paul Calais, Branch Agent

# Rally Speakers, Muric, Shuttle Buser, Mitin Hot Dogs, Soft Drinks available. LABOR: We Street the George State of State

# Honolulu

#### July 20, 2009

During the month of June, dispatched the following: 2 ABDs, 1 ABD relief, 2 ABWs and 1 AB maint. These jobs were filled by 3 A members and 3 B members. Also shipped 24 standby jobs filled by 3 A members, 13 B members, and 8 C members, for a total of 30 jobs shipped.

During the month of June, registered the following: 6 A members, 5 B members. To date, registered are: 10 A members, 9 B members and 3 C members for a total of 22 registered.

#### Ships checked

Manulani, Manukai, Manoa, Maunalei, Maunawili, Mokihana, Mahimahi, R.J. Pfeiffer and Maui. Also ITB Moku Pahu by phone. All with few or no beefs. Paint & Rigger gang running smoothly with Monte Kalama as bosun.

On July 10, along with John Lindsey, attended a surprise birthday party for pensioner Rowland Kula. Older brother Jimmy also was there. Good to see those old school, top of the line SUP bosuns enjoying their retirement!

The Hawai'i state legislature overrode the Republican governor's veto and passed an AFL-CIO backed Employee's Free Choice Act (card check) bill. Hopefully this fall organized labor can push Congress into passing a national act, after health care reform this is.

Mike Duvall, Branch Agent

# **Union Label Week: Buy Union, Buy American**

The Union Label & Service Trades Department reminds all Union members that Union Label Week will be observed Labor Day, Monday, September 7 through Saturday, September 12.

Traditionally, Labor Day is a time to celebrate and remember working men and women. It's a time to remind our friends and family, and our communities that Union goods, made by Union workers, are always the smartest buy; and that the services of Union members in the private and public sector help support middle-class communities.

Many Americans are hurting in this economy. That's why it's more important than ever to support Union families by looking for Union goods and services. By doing so, you can ensure that the hard-earned money you spend will reward employers who act with integrity, not runaway manufacturers and offshore employers.

When you buy Union, you not only get the highest quality goods and services, but you also help maintain good Union wages and benefits that sustain the quality of life in U.S. communities.

Even in these tough times, we've all got to buy life's essentials. Kids will need clothes and supplies for back to school. Some of us may even need a new auto, tools, appliances, furniture or hardware. Let's all try to make smart purchases and look for Union-made goods and services.

To find Union made goods and services visit our website: www.unionlabel.org.

Tell your families, friends, coworkers, elected officials and faith leaders:

BUY UNION! BUY AMERICAN!

#### San Francisco Business Agent

#### August 10, 2009

Visited and paid off the following ships:

**Mahimahi**— Philip Howell, delegate; Tim Thomas, new bosun: No disputes, running smoothly.

Manoa— Charles Schroeder, delegate: In from Seattle. Ordered two new chairs; one for each room in the recreation area. No disputes, good gang.

Maui— Paul Fuentes, delegate: At Howard Terminal in Oakland. Squared two hours overtime for sailors, for rigging the gear to loading stores in Seattle then knocked off due to radio operator's beef. Also time for taking drug test not payable (government regulations).

Mokihana— Hannu Kurppa, delegate: Van and car carrier. Visited at Howard Terminal in Oakland. Frank Portanier, bosun and Art Thanash aboard as AB Relief. Ship is running smoothly with no disputes.

APL Korea— Joe Schor, delegate; Mick McHenry, bosun. Ship broke down going into San Francisco Bay. Laid at anchor for a few hours before being towed to Middle Harbor Terminal for repairs. Checked on the *Korea*; the camshaft on the main engine broke and with luck will take 20 to 30 days for repairs.

APL Thailand— Ernesto Lecarnaque, delegate: Received a letter from the crew reporting unsafe conditions. The report was be submitted to Labor Relations. Also some disputed time will be discussed with Labor Relations.

**Washington Voyager**— Visited at Richmond Long Wharf. Paul Seager, bosun, running a good ship with no disputes.

Running Deck Cranes— If you're an Able Seaman, it's your duty to learn how to operate these cranes aboard the ships. It's sailors jurisdiction, not the mate or cadet. So learn how to operate them or don't throw in for the job.

Worked in the front office.

Bill Berger

## Dispatcher's Report

Headquarters—July 2009

DCCK	
Bosun	. 4
Carpenter	. 0
MM	. 6
AB	10
os	. 2
Standby	7
Total Deck Jobs Shipped	<u> 29</u>
Total Deck B, C, D Shipped	8
Engine/Steward	
QMED	. 0
Pumpman	
Oiler	
Wiper	
Steward	
Cook	
Messman	
Total E&S Jobs Shipped	
Total E&S B, C, D Shipped	
Total Jobs Shipped - All Depts	
Total B, C, D Shipped-All Depts	
Total Registered "A"	
Total Registered "B"	25
Total Registered "C"	. 5
Total Registered "D"	