

West Coast Sailors

Official Organ of the Sailors' Union of the Pacific

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SAN FRANCISCO, CALIFORNIA

Friday, February 25, 2000

U.S. cargo preference laws questioned by government agency

The General Accounting Office has included U.S. cargo preference laws on a list of government programs that should be reduced or eliminated.

Testifying before the Senate budget Committee this month, David Walker, U.S. Comptroller General, said that higher-cost U.S. ships raise federal shipping costs \$578 million a year, based on a 1994 GAO report.

Preference cargoes include defense shipments, food aid and exports financed by the Export-Import Bank.

Walker acknowledged that "the laws appear to have had a substantial impact on the U.S. merchant marine industry by providing an incentive for vessels to remain in the U.S. fleet.

The Maritime Administration, which oversees the cargo preference program, said in response to Walker's testimony that cargo

preference sustains the domestic merchant marine, a vital element of national security, and provides employment for American mariners.

"The U.S. cargo preference laws, by guaranteeing the availability of cargo for U.S.-flag ships, are important to the financial viability of U.S.-flag vessel operation companies," MarAd said.

Preference requirements ensure that the vessels, trained American crews and the vessel service industry continue to exist, the agency added.

Commenting on the GAO's report, SUP secretary-treasurer Gunnar Lundberg, vowed to fight attempts to terminate cargo preference legislation. "The money spent to sustain this vital program is peanuts compared to the revenue the U.S. Merchant Marine generates for the economy and the jobs it provides for American workers," he stated.

Matson Navigation Company awaits MarAd ruling on ship deployment

SUP-contracted Matson Navigation Company's application to the Maritime Administration to re-deploy two C-9 type vessels built with construction differential subsidy funds to the domestic trades has run into a storm of protest.

(See the President's Report in the January *West Coast Sailors*.)

Matson has argued that the Fourth Exception to Section 506 of the Merchant Marine Act of 1936 gives the company license to operate the vessels between Hawaii, Oakland, Seattle, and Vancouver, British Columbia.

Most vehement in its opposition to Matson's application is American President Lines. APL believes that approval of the Matson application would harm its ability to serve the U.S. foreign commerce in that the proposal would also withdraw the ships from the APL/Matson Alliance Agreement which runs until 2006. Matson has countered by stating that it would replace the two C-9 vessels with comparable foreign tonnage reflagged to U.S. registry.

MarAd closed comments on this matter last week and is expected to make a decision soon. Matson stated that "prolonged delay" would "doom the proposed services."

SUP ballots counted — Officers elected, amendments decided

*Connolly elected Vice President
Burgess wins Wilmington
Duvall on top in Honolulu
Henneberry is San Francisco BA
Lundberg and O'Halloran re-elected*

The recently concluded Sailors' Union of the Pacific biennial election resulted in the biggest change in officers in recent memory.

All officers jobs were contested with the exception of the Seattle Branch Agent where Vince O'Halloran ran unopposed.

For President/Secretary-Trea-

ring. Wayne Burgess defeated Keith Miller and Bob Burns.

In Honolulu, where incumbent Peter Oh decided to swallow the hook, Mike Duvall was elected, besting candidates Mike Dirksen, Robert Morgan and Leonard Millsap.

In the contest for the San Francisco Business Agent's job, held

posed amendments to the Union's Constitution, three were adopted by the necessary two-thirds majority and one failed.

The membership voted to transfer the proceeds from the sale of the old Seattle and Wilmington halls to the General Fund; approved a proposal to allow dues-paying pensioners all the rights of active members, except the right to work in covered employment or to run for office; and ok'd a measure to allow officers of the Union to participate in the SUP 401(k) Plan.

The proposal to increase Union dues by \$10 per month was soundly defeated. Barely achieving a simple majority, the measure fell far short of the required two-thirds.

The one Shipping Rule change on the ballot, to change the Shipping Rule of 200 days continuous employment to 100 days and to eliminate the trip-off, failed to pass by simple majority.

The secret mail-in balloting began on December 1, 1999, and concluded on Feb-

ruary 1, 2000. The election was conducted and certified by Sequoia Pacific Systems, Inc., the impartial balloting agent selected by the members.



Election Committee from left: Doug Taylor, Chairman, Rich Reed, Rafael Cooper. Standing Michael Pfleegor, Trev Motlow and Mike Arceo.

surer, incumbent Gunnar Lundberg defeated former Wilmington Branch Agent Gordon "Blackie" Ellis.

The race for Vice President/Assistant Secretary-Treasurer was wide open after incumbent Duane Hewitt decided not to run. Topping Charles Supple and Paul Calais to decisively win the post was Dave Connolly.

The Wilmington Branch Agents job was also a free-for-all after incumbent Bill Berger declined to throw his hat in the

for many years by Kaj Kristensen, who also decided not to run, Bill Henneberry defeated Mike Bailey. Henneberry was previously elected as Tanker Business Agent in 1990, but never served as the job was eliminated on the same ballot.

Of the eleven candidates running for SUP Building Corporation Trustees, Gunnar Lundberg, Dave Connolly, Norman Christianson, Wayne Burgess and Paul Calais were elected.

In the referenda on four pro-



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BE SURE TO VOTE MARCH 7 - California Primary

SUP Quarterly Finance Committee Report

SUP QUARTERLY FINANCE COMMITTEE REPORT FOR THE QUARTER ENDED December 31, 1999.

The Quarterly Finance Committee, duly authorized to act by the regular meeting at Headquarters on January 10, 2000 hereby submits the following report:

SUMMARY OF CASH AND INVESTMENTS

| | |
|---|-----------------------|
| General Fund | \$ 266,910.84* |
| Building Corporation | \$1,021,749.09 |
| Political Fund | \$2,756.83 |
| Strike Fund | \$1,143,730.99 |
| Total Cash and Investments 4th Qtr 1999 | <u>\$2,435,147.75</u> |

*\$16,140 held for Wall of Honor (not included)

GENERAL FUND

Income:

| | |
|---|---------------------|
| Dues, Initiation, Assessments | \$109,774.00 |
| Interest | 32,445.26 |
| Donations - <i>West Coast Sailors</i> | 2,612.00 |
| Tanker & Joint Committee, Hiring Hall | 54,052.68 |
| Advertising & Promotion | 337.00 |
| Reimbursed Field Expense, Fines, Misc. | 100.00 |
| Contributions - General Fund | <u>2,643.00</u> |
| Total Income: | <u>\$201,963.94</u> |

Expenses:

| | |
|--|---------------------|
| Auto & Travel | \$2,788.27 |
| Rent | 9,968.15 |
| Postage, Printing & Office | 4,509.12 |
| Telephone & Telegraph | 4,108.52 |
| <i>West Coast Sailors</i> Publishing Expense | 6,759.12 |
| Per Capita | 12,706.50 |
| Salaries & Payroll Taxes | 140,533.79 |
| Office Workers Pension | 3,295.53 |
| Insurance | 20,165.28 |
| Field Expense | 7,020.11 |
| Committee & Neg., Conference & Conv. | 6,104.88 |
| Contribution | 250.00 |
| Election 1999-2000 | 1,910.00 |
| Investment Expense | 851.19 |
| Officials Pension | 306.36 |
| Flowers | 243.55 |
| Advertising and Promotion | 1,760.00 |
| Subscription | <u>149.45</u> |
| Total Expense: | <u>\$223,429.82</u> |

BUILDING CORPORATION

Income:

| | |
|--|-----------------------|
| Assessments | \$3,016.00 |
| Vending, Oil Leases, Miscellaneous | 10.44 |
| Interest & Principle on Mortgage Notes | 53,585.39 |
| Building Asset Fund | 950,000.00 |
| Rents | <u>87,566.37</u> |
| Total Income: | <u>\$1,094,178.20</u> |

Expense:

| | |
|-------------------------------------|--------------------|
| Building Services & Utilities | \$30,220.68 |
| Repairs & Maintenance | 3,219.21 |
| Salaries & Payroll Taxes | 12,053.88 |
| Legal and Accounting | 1,041.63 |
| Filing Fee | 10.00 |
| Pension | 418.14 |
| General Tax | 10,404.14 |
| Insurance | <u>15,502.38</u> |
| Total Expense: | <u>\$72,870.06</u> |

POLITICAL FUND

Income:

| | |
|---------------------|-------------------|
| Contributions | \$4,105.00 |
| Interest | <u>3.78</u> |
| Total Income | <u>\$4,108.78</u> |

Expense:

| | |
|----------------------|-------------------|
| Contributions | \$6,375.00 |
| Office Expense | <u>12.00</u> |
| Total Expense: | <u>\$6,387.00</u> |

Net Income for the quarter \$997,564.04

| | |
|-------------------------------|-----------------------|
| 1st Quarter 1999 | \$36,145.07 |
| 2nd Quarter 1999 | \$80,987.72 |
| 3rd Quarter 1999 | 1,294.69 |
| Year to date net income | <u>\$1,115,991.52</u> |

/s/Charles Mohun

/s/Fred Carlson

/s/Sedek Idris

/s/Arthur Thanash

/s/Michael Duvall

*ACTION BY THE MEMBERSHIP February 15, 2000. M/S—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.*

APL Pacesetters scrapped in Mexico

SUP-contracted American Ship Management has notified the Union that the former American President Lines Pacesetter-type vessels, *Presidents Johnson, Madison and Pierce*, were sold to Demeresa de C.V. for scrapping in Mexico.

The 21,475 gross ton vessels were built in 1973 in Pascagoula, Mississippi as APL's first all-container ships. The Johnson, Madison and Pierce sailed for many years in the trans-Pacific trades before being bareboat chartered to Lykes Lines.

The last Pacesetter, the *President Jefferson*, remains in idle status in San Francisco.

Final Departures

Shelby E. Stillwell, Book No. 7320. Born in Oregon in 1915. Joined SUP in 1950. Died in Bandon, Oregon, November 10, 1999. (Pensioner)

Edward Patron, Book No. 3848. Born in California in 1934. Joined SUP in 1961. Died in Hayward, California, December 30, 1999.

Rudolph George Pajnich, Book No. 3723. Born in California in 1925. Joined SUP in 1946. Died in San Pablo, California, January 4, 2000. (Pensioner)

Crawford Robertson, Book No. 3164. Born in Sough Carolina in 1922. Joined SUP in 1965. Died in Carmichael, California, January 5, 2000. (Pensioner)

Dominick J. Lorengo, Book No. 3391. Born in California in 1916. Joined SUP in 1942. Died in Hemet, California, January 5, 2000. (Pensioner)

Dale Busse, Book No. 5487. Born in Iowa in 1920. Joined SUP in 1948. Died on January 20, 2000. (Pensioner)

George Hilarzewski, Book No. 5443. Born in Pennsylvania in 1928. Joined SUP in 1945. Died in Pennsylvania, January 22, 2000. (Pensioner)

Lawrence E. Marker, Book No. 6175. Born in Washington in 1928. Joined SUP in 1948. Died in Seattle, Washington, January 25, 2000. (Pensioner)

Leland M. Faraola, Book No. 1679. Born in California in 1919. Joined SUP in 1941. Died in Santa Cruz, California, January 23, 2000. (Pensioner)

Raymond Bianchini, Book No. 5581. Born in California in 1931. Joined SUP in 1947. Died in Reno, Nevada, November 16, 1999. (Pensioner)

SUP members join pension ranks

Two SUP members have joined the ranks of pensioners, bringing the total number of SUP members now receiving a pension to 1,144. They are as follows:

William J. Mawhinney, 71, Book No. 6121, joined SUP in 1945, 49 years of seetime.

Jimmy L. Day, 61, Book No. 2719, joined SUP in 1964, 24 years of seetime.

SUP Meetings

These are the dates for the regularly scheduled SUP meetings in 2000:

| | <i>Hdq.</i> | <i>Branch</i> |
|-----------|-------------|---------------|
| March | 13 | 20 |
| April | 10 | 17 |
| May | 8 | 15 |
| June | 12 | 19 |
| July | 10 | 17 |
| August | 14 | 21 |
| September | 11 | 18 |
| October | 10* | 16 |
| November | 13 | 20 |
| December | 11 | 18 |
| *Tuesday | | |

Support the SUP Political Fund

West Coast Sailors

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

BRANCH OFFICES
Seattle, WA 98134
1253 Sixth Ave S, Ste A (206) 467-7944
FAX: (206) 467-8119
Wilmington, CA 90744
533 N. Marine Ave. (310) 835-6617
FAX: (310) 835-9367
Honolulu, HI 96813
707 Alakea St. (808) 533-2777
FAX: (808) 531-3058

WELFARE OFFICE
(415) 778-5490
PENSION PLAN OFFICE
(415) 495-5949

IMO meeting: Physical standards for seafarers

by Jack Mannering, Director, Andrew Furuseth School of Seamanship

The 31st session of the International Maritime Organization’s (IMO) subcommittee on Standards of Training and Watchkeeping (STW) concluded on January 20, 2000 at IMO Headquarters in London. This session produced a final draft proposal for detailed standards of fitness for seafarers. The draft standards will be forwarded to the Maritime Safety Committee (MSC) for adoption and inclusion as non-mandatory guidelines in the Standards of Training, Certification and Watchkeeping Code (STCW 95 Part B).

The new standards represent the follow-up work to Regulation I/9 of the STCW 95 Code that requires a medical practitioner attest to the fitness of all seafarers. In spite of the status of these standards as non-mandatory, it is anticipated that they will form the basis of an applicable international norm. After considerable debate in both the special working group, assigned to the task of drafting the language of the proposal, and in the subcommittee plenary, the delegates agreed that the standards are necessary for safety and shipboard efficiency.

The standards were developed primarily to address the required physical abilities of entry-level seafarers. However, the subcommittee agreed that no distinction shall be made between entry-level seafarers and existing seafarers and the standards should apply throughout a seafarer’s career at sea.

The general opinion of the subcommittee was that the standards should be as

practical as possible and be based on everyday duties and routine shipboard conditions. In addition, the fitness standards consider the normal safety tasks and emergency duties faced by seafarers. This takes into account the widely recognized fact that functional capacity affects the working capacity of seafarers as much as their level of training and skills.

In order to provide the guidance necessary to assist a medical provider, who is unfamiliar with the demands of life at sea, the draft standards cover both clinical and physical aspects of fitness. The aspects of fitness are presented in a tabular form and crafted to be of a non-prescriptive nature. In addition to giving guidance to medical personnel, the draft standards provide a clear yardstick to flag-state administrations that are charged with the task of handling the appeals of any individual mariner’s unsatisfactory medical report. The appeal process will lose much of its subjectivity under the new standards. Now, through the demonstration of the capacity to complete a few routine shipboard tasks, a mariner can overturn an unfit for duty medical finding and remain in the industry.

The work of the 31st STW subcommittee to develop clear, detailed fitness standards for seafarers represents a milestone in the effort to raise the international standards of safety at sea. This is another step forward in the process of creating a safer work environment for all seafarers and insuring the safety of the maritime environment.

(Editors note: Brother Mannering represented the SUP in London and was a member of the standards subcommittee.)

NYK installs alarm system on ships

In an attempt to ward off pirate attacks, one of Japans leading ship lines, Nippon Yusen Kaisha, in conjunction with NYK Logistics Technology Institute, has developed an alarm system that notifies onshore personnel by cellular phone of any break in communication with vessels resulting from an attack. The company has installed the system on all of its 450 vessels.

The system initially tracked locations, courses and speeds of vessels and automatically reported back via communication satellite. Now, if an NYK ship’s remote monitoring system stops running, the alarm automatically signals cellular phones and computers on land. The ship’s name and exact location can then be reported immediately to Japan’s Maritime Safety Agency and rescue teams. The alarm system operates around the clock, giving notice of a possible emergency and the ship’s position, even if pirates destroy other communications equipment or cut electric power.

The Southeast Asia region is the most dangerous and the NYK’s alert system was put in place after one of its ships, the Panamanian-registered Alondra Rainbow was attacked by pirates on October 22, hours after leaving the Indonesian port of Kuala Tanjung for Miike in western Japan.

Matson to increase fuel surcharge

In the recent press release Matson Navigation company stated that due to steadily escalating costs in bunker fuel, Matson is increasing its fuel surcharge from 1.75 percent to 2.25 percent in its Hawaii and Guam services, effective February 20, 2000. The fuel surcharge was filed with the Surface Transportation Board January 26.

“While the high cost of fuel has an adverse impact on many businesses, transportation companies are especially hard hit,” Paul Stevens, senior vice president, Marketing, says. “Matson’s average price per barrel of bunker fuel has more than doubled since January 1999, with most of the increase occur-

ring in the past six months. We will continue to monitor fuel costs and adjust the surcharge accordingly.”



MarAd changes U.S. fleet calculations

The Maritime Administration (MarAd) has conveyed a new approach in depicting the size of the U.S.-flag shipping fleet.

MarAd is now counting barges, tugs, ferries and offshore oil work boats, in addition to the privately owned self-propelled deep-draft ships, bringing the U.S.-fleet to 37,700 vessels.

“For years the quarterly release of statistics on our fleet focused basically on one group — oceangoing self-propelled ships over 1,000 tons,” Maritime Administrator Clyde Hart Jr. said. “That, like the 20th century, is history.”

The agency said that as of January 1, 1999, there were 29,545 cargo-carrying vessels, including 2,948 vessels larger than 1,000 gross tons.

Hart, in his speech at the Propeller Club on January 13, defended the Jones Act’s requirements for the use of U.S.-owned, U.S.-built, and U.S.-crewed ships, saying they are vital to national security and economic well-being.

“I have no compunction in siding with the prevailing opinion of every president since Woodrow Wilson,” he said. The Jones Act has been on the books since 1920.

The Maritime Cabotage Task Force noted that the report is significant because it counts all commercial vessels in the U.S. fleet. “Historically, because different federal agencies counted different parts of the fleet, no single accounting was available.” The MCTF chairman, Phil Grill, noted that “...much public attention has been focused on U.S.-flag international vessels, but the real story is that the U.S. domestic fleet has exploded in size, growing far larger than previously reported. MarAd has done a great service painting a true and accurate picture of the U.S. domestic fleet.”

Bonior and Herberger advocate support for U.S. flag fleet, cargo preference

Speaking before the Executive Council of the Maritime Trades Department (MTD) in New Orleans this month, House Minority Whip David Bonior (D-MI) emphasized the importance of the U.S. merchant marine and the Jones Act to the nation's security and economy.

Congressman Bonior, the House of Representatives second ranking member, stated that “seeing a U.S.-flag atop a vessel is the only guarantee that the ship is properly maintained with a trained, professional crew.”

Congressman Bonior contrasted the U.S.-flag fleet to flag-of-convenience vessels which are “a menace to the environment and a threat to public health.”

Also speaking at the MTD was former Maritime Administrator, Vice Admiral Albert Herberger, who now serves as an advisor to SUP-contracted American Ship Management, said that "a vital U.S. maritime industry is a critical part of the deterrence posture of our Armed Forces.

Admiral Herberger stated in his remarks to continue to support the Jones Act and cargo preference.

“Cargo preference, both military and civilian, is essential to the industry's viability under the U.S.-flag,” he said.

“We must enhance maritime industry programs and educate shipper agencies on the importance of cargo preference, and make sure that every agency required to comply with the preference laws does so,” Herberger added.

Admiral Herberger also endorsed the National Security Sealift Enhancement Act (S.1858) introduced by Senator John Breaux (D-LA) and H.R. 3225 introduced by Representatives Jim McCrery (R-LA) and William Jefferson (D-LA) which would provide tax reforms aimed at improving the competitive standing of the U.S.-flag fleet. (See the November 1999 issue of the *West Coast Sailors* for more information on S.1858 and H.R. 3225.)

Helen Bentley urges tax relief for American merchant marine

In a February 2 letter to the editor of the *Journal of Commerce*, former Federal Maritime Commission Chair and Congresswoman Helen Delich Bentley, backed comprehensive tax reform legislation for the U.S.-flag fleet. Known as the National Security Sealift Enhancement Act, or S.1858, (see the November issue of the *West Coast Sailors* for more details), Bentley said that U.S.-flag vessels are forced to compete against foreign-flag carriers that are not taxed by their flags of registry.

To level the playing field, S.1858 would allow shipping companies to fully depreciate the value of new ships in the year that they are acquired rather than the current 10-year schedule of the I.R.S code. Foreign countries generally allow much shorter depreciation schedules, which amounts to millions of dollars in tax savings and is eventually reflected in carrier rates.

Similiarly, shipping income earned in the international trades would not be subject to the Alternative Minimum Tax, and American seaman working in the foreign trades would be entitled to the same foreign-source income exclusion currently applied to other Americans working outside the United States. “The fact is, this bill represents a politically sound, bipartisan effort to bring significant tax relief to our industry,” Mrs. Bentley said.

Also a former member of Congress, Bentley urged immediate action on Capitol Hill, “so that we can begin to address, as soon as possible, the long-term viability of the U. S.-flag maritime industry. We should not scrap our time tested maritime laws. Rather, we must act in a balanced, responsible manner to address the competitive standing of our merchant fleet, consistent with principles embodied in our nation’s maritime and sealift policies. The National Security Sealift Enhancement Act does just that.”

SUP Honor Roll

Voluntary contributions from the membership to the following funds:

Organization/ General Fund

| | |
|-----------------------|--------|
| Gerald Allen | 50.00 |
| Joseph Campos | 10.00 |
| John Diaz | 25.00 |
| Mike Elgani | 80.00 |
| Basim Elsayed | 20.00 |
| Raymond Flores | 130.00 |
| Isnin Idris | 20.00 |
| Eli Lalich | 50.00 |
| Stanley Lane | 25.00 |
| Steve Messenger | 25.00 |
| David Pangan | 20.00 |
| Inti Sternbach | 100.00 |
| Ernest Stimach | 20.00 |
| Arthur Thanash | 100.00 |
| William Walker | 40.00 |
| Michael Worth | 60.00 |

West Coast Sailors

| | |
|---|--------|
| Anonymous | 25.00 |
| Gerald Allen | 50.00 |
| Takayuki Asai | 25.00 |
| Harry Aubrey | 24.00 |
| Marty Baccari | 20.00 |
| Raymond Bell | 35.00 |
| Christopher Bright | 35.00 |
| Roy Camerlo | 20.00 |
| Douglas Chesshire | 100.00 |
| Hugh Crandall, in memory of Raymond Aiken | 20.00 |
| John Diaz | 30.00 |
| James Fernandes | 25.00 |
| Burnett Green | 25.00 |
| Eugene Horden | 20.00 |
| Isnin Idris | 60.00 |
| Bobby Jestes | 25.00 |
| Douglas Kashner | 20.00 |
| Doyle Lacy | 10.00 |
| Eli Lalich | 50.00 |
| Stanley Lane | 20.00 |
| Woodrow Leiter | 25.00 |
| Andrew Machaj | 20.00 |
| Rodolfo Menchaca | 50.00 |
| Joseph Morrison | 10.00 |
| John Pedersen | 20.00 |
| John Perez | 25.00 |
| Vincent Platero | 10.00 |
| Carl Schou | 100.00 |
| William Self | 10.00 |
| Robert Shahan | 20.00 |
| Virgil Sieben | 15.00 |
| Gerald Spafford | 20.00 |
| Donald Steffens | 25.00 |
| Thelma Woolbert, in memory of Frank Woolbert | 100.00 |

Dues-Paying Pensioners

| | | | |
|-------------------|------------|----------------|------------|
| Archie Aki | Book #3791 | Frank Parks | Book #3798 |
| John Battles | book #5512 | John Perez | Book #3810 |
| Richard Cummings | Book #4666 | Charles Rafael | Book #3141 |
| Knud Jensen | Book #3940 | Kai Sorensen | Book #7479 |
| Alfred Kerns | Book #3167 | William Tice | Book #3239 |
| Peter Paul Liptay | Book #3725 | | |

Political Fund

| | |
|--|--------|
| Anonymous, in memory of Red Henneberry | 20.00 |
| Gerald Allen | 50.00 |
| Jose Angeles | 20.00 |
| Christopher Bright | 35.00 |
| Brian Burns | 20.00 |
| Robert Burns | 50.00 |
| Douglas Chesshire | 100.00 |
| John Diaz | 25.00 |
| Dennis Dooley | 20.00 |
| Romaine Dudley | 20.00 |
| Joseph Eckert | 20.00 |
| Donald Erickson | 20.00 |
| Jeff Evanhus | 20.00 |
| Tony Fague | 100.00 |
| Richard Goen | 10.00 |
| Delmar Harlow | 50.00 |
| Isnin Idris | 20.00 |
| Anthony Jones | 23.00 |
| Douglas Kashner | 20.00 |
| James Kolm | 50.00 |
| Ernesto Legarte | 40.00 |
| Volkert Lolies | 10.00 |
| Gunnar Lundeberg | 25.00 |
| Rodolfo Menchaca | 50.00 |
| Steve Messenger | 25.00 |
| Benjamin Miller | 25.00 |
| Ed Moore | 20.00 |
| Joseph Morrison, in memory of Paul Dempster | 50.00 |
| Brian Murgotten | 40.00 |
| Josh Niles | 25.00 |
| Terrance O'Neill | 25.00 |
| Peter Oh | 20.00 |
| David Pangan | 20.00 |
| Adam Pawelski | 30.00 |
| Richard Reed | 10.00 |
| Carl Schou | 100.00 |
| Ted Soderberg | 20.00 |
| Donald Steffens | 25.00 |

Wall of Honor (San Pedro Merchant Marine Memorial)

| | |
|-------------------------|--------|
| Gerald Allen | 100.00 |
| John Anderson | 100.00 |
| Alfred Byoff | 50.00 |
| Douglas Chesshire | 50.00 |
| Michael Freng | 75.00 |
| Thomas George | 100.00 |
| Eli Lalich | 60.00 |
| Robert Morgan | 100.00 |
| Ted Ochoa | 40.00 |
| Carl Orange | 75.00 |
| Frank Salvatierra | 100.00 |
| Michael Soper | 20.00 |

Your SUP 401(k) Plan: Benefit for the future

Investing in the SUP 401(k) plan is simpler than balancing a checkbook, more convenient than saving at a bank, and easier than investing through a brokerage. Since its creation by Congress in 1978, 401(k)'s have changed the financial landscape and as such represent the most significant benefit change since Social Security was implemented in the 1930's. For most Americans, their 401(k) account is their single largest asset. For SUP members, the newly established 401(k) plan can become an important retirement supplement to the SIU-Pacific District Pension Plan, SUP Money Purchase Pension Plan, Social Security, and Individual Retirement Accounts.

How It Works

The 401(k) mechanism is simple. Each time you join a ship you fill out a form indicating how much you want to contribute and which of the nine mutual fund options you want your money invested in. At that point, except for periodic monitoring of performance, your work is done. Your contributions are automatically deducted from your paycheck **before it is taxed** and sent to the plan provider, in our case—Columbia Funds. Columbia then invests the money according to your direction. You can change your investment choices at any time, and you can stop your contributions at any time. On a basic level, the power of the mechanism is in the relatively painless way it allows ordinary people to invest in a professional, regular and continuous pattern. But there are important tax advantages as well.

Pre-Tax Investing

The before-tax aspect of 401(k) plans helps you out in two ways. First, because 401(k) contributions come out of your check before taxes, they are not counted as W-2 income at the end of the year. This means that you are taxed on a smaller gross income and so your income tax bill is less. For example, if you earned \$30,000 dollars last year and you were deducting 6% of your income for the 401(k), assuming you were taxed in the 28% bracket, your annual tax bill would be \$500 less than if you were not contributing to the SUP 401(k) plan.

The second advantage to pre-tax investing is an increase in investing power. Using the previous example, \$30,000 annual income with 6% diverted to the 401(k) amounts to \$1800 in pre-tax contributions. But 6% of post-tax income would amount to less than \$1700. So if you wanted to make the same \$1800 investment you'd have to cut into your take-home pay to do it. In this way, more of your earnings can be put to work and that makes your 401(k) accounts grow very quickly.

Tax Deferred Appreciation

Since you don't pay taxes on any return you make on a 401(k) investment until you withdraw the money at retirement, you'll accumulate savings faster.

Tax-deferred growth gives you the full benefit of compounding, and every year the full amount of your investment grows without interruption from the IRS.

For example, say you are 20 years from retirement and you contribute \$2000 per year every year. At the end of 20 years you would have contributed \$40,000. Assuming your investment options returned the average long-term stock market rate of return—around 10%—your 401(k) account would be worth \$114,550 because of the power of tax-deferred compounding.

Professional Money Management

When you participate in a 401(k) plan, professionals work for you. Columbia administrators will provide you with periodic account statements that let you know how your investments have performed. You can call them anytime and shift assets from one fund to another. More importantly, through the vehicle of mutual funds, you get cheap access to professional managers who decide when to buy or sell securities to keep the fund on track toward meeting its objective.

An important limitation of 401(k) investing is that the money is basically off-limits until age 59 ½. Although you can withdraw the money at anytime, the Internal Revenue Service issues stiff penalties if you do it prior to that retirement date. And in addition to a 20% penalty, withdrawals get taxed at your normal rate—not only on the principal but also the earnings. So an investor that suddenly decides to cash in his 401(k) account before age 59 ½ will, in most cases, pay almost half of the money to the government.

Risks

Another aspect of 401(k) investing is risk. Unlike pensions, the assets within a 401(k) account are not insured. But to investors, risk doesn't really mean the risk that you're going to lose your investment. Risk is usually defined as the amount that the investment's value fluctuates over time. "Risky" investments go up and down more steeply than "safer" investments. And risk and return have a direct relationship. Usually, as an investment's potential return increases, its level of risk increases too. Conversely, safer" investments tend to have lower return potential. Nevertheless, there are several simple ways to sharply reduce risk while maintaining performance, such as diversification, dollar cost averaging, asset allocation, and long-term investing. These strategies are automatically applied when you participate in the SUP 401(k) plan.

The Trustees of the SUP Welfare Plan established this benefit because it is one of the proven tools of modern prosperity. They chose Columbia as plan administrator because of their long track record of reliable service, high performance, and low expenses. The plan is designed for sailors—convenient, accountable and powerful. It's your benefit, use it.

Record of SUP Shipping January 2000

| | Hdqs | Seattle | Wilm | Hono | Total |
|-------------------|------------|---------------|------------|------------|-------|
| Bosun | 4 | 1 | 5 | 0 | 10 |
| A.B | 32 | 15 | 15 | 5 | 67 |
| A.B. Dayworker .. | 0 | 1 | 1 | 0 | 2 |
| O.S. | 1 | 3 | 0 | 1 | 5 |
| Standby | 57 | 16 | 82 | 7 | 162 |
| QMED | 1 | 0 | 0 | 0 | 1 |
| TOTALS | 95 | 36 | 103 | 13 | 247 |

SUP ELECTION RESULTS

CERTIFICATE OF ELECTION

Election held December 1990-January 2000. Tabulated February 1, 2000, by SEQUOIA PACIFIC SYSTEMS, INC., Impartial Balloting Agent. This is to certify that the following are the true and correct results of the election:

PRESIDENT/SECRETARY-TREASURER

Gunnar Lundeberg 1017 ELECTED
Gordon Ellis 112

VICE PRESIDENT/ASSISTANT SECRETARY-TREASURER

Dave Connolly 703 ELECTED
Charles Supple 263
Paul Calais 142

SAN FRANCISCO BUSINESS AGENT

Bill Henneberry 629 ELECTED
Mike Bailey 441

SEATTLE BRANCH AGENT

Vince O'Halloran 1021 ELECTED

WILMINGTON BRANCH AGENT

Wayne Burgess 436 ELECTED
Keith Miller 317
Robert Burns 307

HONOLULU BRANCH AGENT

Mike Duvall 481 ELECTED
Mike Dirksen 218
Robert Morgan 196
Leonard Millsap 182

SUP BUILDING CORPORATION TRUSTEE

Gunnar Lundeberg 1003 ELECTED
Dave Connolly 797 ELECTED
Norman Christianson 715 ELECTED
Wayne Burgess 567 ELECTED
Paul Calais 384 ELECTED
Mike Dirksen 327
Gordon Ellis 320
Richard Jones 318
Robert Copeland 301
Arthur Thanash 283
Robin Colonas 172

CONSTITUTIONAL AMENDMENTS

Amendment #1. Dues Increase \$10 per month: YES 215 50.2%
(FAILED) NO 213 49.8%

Amendment #2. Allow pensioners all rights: YES 768 71.4%
(PASSED) NO 308 28.6%

Amendment #3. Property sale money to General Fund:
(PASSED) YES 805 72.7%
NO 302 27.3

Amendment #4. Establish 401(k) Plan as officer benefit:
(PASSED) YES 865 79.8
NO 219 20.2

SHIPPING RULE AMENDMENTS

Shipping Rule #8. Change 200 days to 100 days employment:
(FAILED) YES 163 37.9
NO 267 62.1

SEQUOIA PACIFIC SYSTEMS
By: Robbin A. Johnson, Manager, Non-Government Election Services

BALLOTING COMMITTEE'S REPORT

February 1, 2000

We, the duly elected Balloting Committee, herewith submit our report on the Sailors' Union of the Pacific election of officers, constitutional amendments, and shipping rule changes for the 2000-2002 term.

The elected balloting committee turned to at 0800 Tuesday, February 1, 2000, at SUP Headquarters, to check and to verify the standing of those eligible to vote in this election. We then met with the Impartial Balloting Agent from Sequoia Pacific Systems, picked up the mailed ballots from the U.S. Post Office in San Francisco and transported them to the SUP Headquarters library where the vote took place.

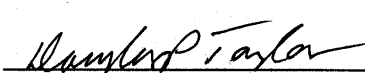
Your elected committee, acting as observers, was present throughout the entire process of opening the ballots and preparing them to be inserted into the equipment where the votes would be counted and the results printed out on the tally sheet. During the entire procedure, we were joined by SUP active members who wished to witness the count.


The election count took place only after all the ballots were cross-checked with the master mailing list for verification and eligibility. After all of this was completed the official vote was run and tallied at 2:13 P.M.

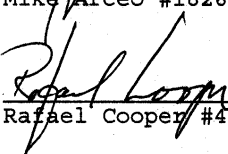
After completion of the ballot count, all balloting material was boxed, sealed, and signed in the presence of the committee and Mr. Robbin Johnson of the Sequoia Pacific Systems. The sealed boxes were then placed in a safe, and will be kept for one year, as required by federal law.

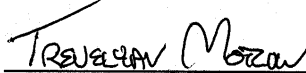
Your elected committee adhered strictly to the mail balloting procedure, Article XIII, Section 6 through 11, and proceeded with due caution in every respect. We can report that the tabulation ran smoothly and was handled in a first-class manner by Sequoia Pacific Systems.

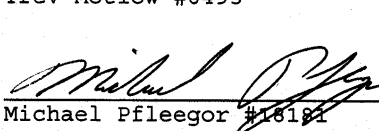
Fraternally,
SUP BALLOTING COMMITTEE

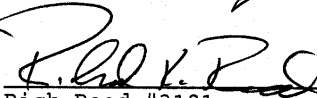

Doug Taylor, Chairman #18282


Mike Arceo #18263


Rafael Cooper #4687


Trev Motlow #6493


Michael Pfleegor #18181


Rich Reed #3181



The crew from Sequoia Pacific Systems begins counting the ballots in the library at Headquarters on Feb. 1. Robbin Johnson, manager of Sequoia Pacific's Union Election Services is standing.

Certificate of Accounting of returned mailed ballots

We hereby certify that the following is the complete accounting of the OFFICIAL ballots which were voted and returned to the Post Office Box for this election.

| | | |
|------------------------|-------|--------------------------|
| Returned voted ballots | 1,203 | /s/Doug Taylor, Chairman |
| Ballots not counted | 16 | /s/Mike Arceo |
| Ballots counted | 1,187 | /s/Rafael Cooper |
| 2 in 1 envelope | 1 | /s/Trev Motlow |
| Deceased | 4 | /s/Michael Pfleegor |
| Dues delinquent | 9 | /s/Rich Reed |
| Signed | 2 | |

Certificate of Ballot Mailing

| | | | |
|--------------------------|-------|-----------------------------|-------|
| Official ballots printed | 2,100 | Ballots accounted for | 2,100 |
| Ballots used for mailing | 1,753 | Number of remailed ballots | 2 |
| Spoiled ballots | 0 | Undeliverable (bad address) | 43 |
| Duplicate ballots mailed | 65 | | |
| Unused ballots | 282 | /s/Robbin A. Johnson | |

ITF's MV Global Mariner completes voyage

The *MV Global Mariner*, a unique cargo ship turned floating exhibition – completed its world tour this month when it returned to London's West India Docks on February 11. For 20 months, starting on July 1, 1998, it has visited the world's major ports – visiting 86 ports in 51 countries. Nearly three quarters of a million visitors toured the ship's unique exhibition, designed by the International Transport Workers' Federation to expose the grim reality of living and working in today's shipping industry and in other increasingly globalized industries.

The *Global Mariner* called Los Angeles, San Francisco, Portland, Seattle, and Tacoma in February and March of 1999. The Sailors' Union maintained a display onboard during her West Coast calls.

Many of the visitors, including leading politicians, were shocked to see the level of exploitation and abuse endemic in the world of shipping. The exhibition used giant images, videos, computer games, and animation to tell true-life stories of seafarers working in appalling conditions. Poorly paid or unpaid, underfed, sometimes injured and often abandoned overseas with no money to get home, the catalogue of abuse and exploitation has been an eye-opener to thousands who thought life at sea was a romantic adventure.

Throughout the world tour the *Global Mariner* used its public profile to highlight cases of malpractice and abuse. In France, Portugal, Chile, Canada, Russia and Africa the ship encountered crews abandoned and relying for their survival on the kindness of locals in the ports. In Vancouver the ITF released a damning report about the scale of such abandonment. In the Philippines the ship's visit upped the pressure on the government and manning agencies to stop the practice of "blacklisting" seafarers who dare to complain about ill-treatment – denying them future work. In Panama, Cyprus, Malta and Sri Lanka –all listed by the ITF as Flag of Convenience countries (FOCs) whose flags are flown by many shipowners running substandard operations – the *Global Mariner* was a potent challenge to the authorities to defend their flags. In Panama and Sri Lanka it took some loud protests to be allowed a berth, in Hong Kong the ship had to stay anchored to a buoy, and in China the authorities

couldn't find a place at all and the visit to Shanghai was cancelled.

The 20 month voyage was eventful in other ways too – early on. The ITF, long a staunch critic of shipowners, received some lessons itself in the realities of ship-board industrial relations. Despite the excellent union negotiated wages and conditions offered to the (mainly British) crew it proved harder than expected to recruit and retain seafarers who were both technically qualified and committed to the cause of global trade unionism.

Throughout the tour a total of 28 nations were represented on the crew, many of them seafarers with direct experience of exploitation at the hands of unscrupulous FOC shipowners. There were stowaways in Africa and an on-board wedding in France. The ship survived a typhoon in Taiwan and the repeated attentions of Port State Controls who found it an interesting target. After 18 inspections in 20 months (compared with the one or two an ordinary cargo vessel could expect over the same period) no substantial problems were found.

The reaction to the vessel's arrival varied enormously with visitor numbers varying from less than a thousand to a staggering 70,000 in the port of Karachi. In smaller ports the impact was usually much greater than in large cities. In Dutch Harbour, United States, 25 percent of the population went on board. Among the most enthusiastic visitors were schoolchildren, many of them experiencing their first taste of life not only at sea, but also of the role which trade unions can play in defending workers' rights.

Now, after an open day and final celebration in London, the *Global Mariner* sailed to Bremen where she will be decommissioned as an exhibition ship. Original plans called for her to be resold into the general commercial market, but the interest stimulated by the world tour has generated several interesting ideas for the ship's future. Negotiations are at an advanced stage on a proposal to convert the *Global Mariner* into a training vessel, retaining her current flag and name and responding to the new demand for UK seafarers generated as a result of the British government's maritime support program. Such a use would be a fitting end for one of the last generation of cargo ships to be built in a British shipyard.

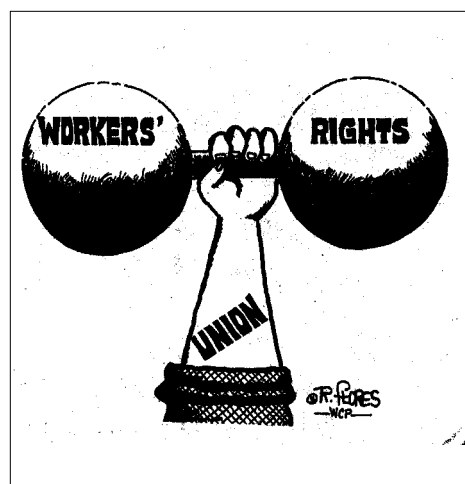
Substantial union growth in 1999

Union membership rose by more than 265,000 in 1999—the greatest annual increase in 20 years, reported the U.S. Bureau of Labor Statistics. The number of union members in the United States rose from 16.21 million to 16.48 million last year, and the percentage of U.S. workers who belong to unions remained stable at 13.9 percent.

Because unions have committed greater energy and resources to helping workers gain a voice at work, much of the membership growth was due to an increase in the number of workers forming unions.

Nearly 600,000 workers organized into unions in 1999, according to internal AFL-CIO and affiliate union data—an increase of more than 25 per-

cent over 1998. "We've gotten this train rolling and picking up speed, but we're not at our destination yet," AFL-CIO president John Sweeney said.



A look astern...

Coast Seamen's Journal February 7, 1900

Retrospect and prospect

We come now to 1893, the most stirring as well as the most trying time in the history of the Sailors' Union. That year of hard times and panics brought on the most severe struggle between the seamen, to maintain a living wage, and the crimps, to reduce the seamen to the old-time servitude.

In the great excitement of the time, plot after plot was perpetrated with the evident purpose of turning public opinion and the authorities against the Union...

The Sailors' Union was affected during this period by the general onslaught of the Employers' Association on the trade-unions of the Coast, and particularly of San Francisco. Under the fierce fire of the allied employers, union after union went down to destruction, until, at the height of the conflict the Association was able to report that it had almost made good its boast to destroy every labor organization in the city. Almost! To the credit of the seamen it is to be recorded that the Sailors' Union, around which had raged the storm and stress of the greatest labor, or rather capitalistic, war in the history of the country, was the one organization which the Employers' Association was compelled to admit, openly and officially, that it had not been able to wreak its purpose upon. The organized seamen, by nature and training inured to discipline and sacrifice, stood in the pass between those dark days and the future of better times, and with Spartan valor defended it against the day when the industrial storm should pass.

As to the prospect, that will depend as much upon our reading of history as upon our desire to succeed. The course covered in the fifteen years of our experience has been over an uncharted sea. The question is: Have we correctly observed the obstacles encountered and taken the true bearings of each to all the others? If not, we may rest assured that we will find bottom later on by the old-fashioned method of running ashore on it. But with the chart of experience and the dipsey-lead of intelligence, combined with the compass of honest and devoted purpose, we may confidently look forward to a continued career of usefulness to the seamen of the United States and of the world.

Letter to the editor

February 17, 2000

I have been paying dues in the Sailors' Union since 1966. Union dues at that time amounted to \$25 a quarter. The year 1968 brought on a dues increase to \$30 per quarter. In 1968 the monthly wage for an able bodied seaman was \$599.50 a month, or \$19.98 a day. In the year 2000 quarterly dues are \$130, and an A.B. is paid \$2772 monthly, or \$92.43 daily. In 1968 an A.B. had to work 1.5 days to pay for a quarters dues. In 2000 an A.B. only has to work 1.4 days to cover his dues. Over the years your dues have DECREASED in proportion to your monthly and daily wage!

There was no excuse for the dismal failure of the dues increase initiative in this past election.

In 1999 your negotiating committee fought long and hard to obtain wage increases with Matson, and A. S.M. We have in the past, and will in the future continue to receive a yearly wage increase.

The future of the Sailors Union is in the hands of the membership, with our right to vote. We must think ahead. The cost of doing business at headquarters and at the branches will continue to increase. This is the 21st century, and the "sailing business" isn't what it used to be. We cannot afford to have another dues increase initiative fail.

We have a couple of years until our next Union election. Brothers and sisters I urge you to think long and hard about how you will vote on the next dues initiative. We cannot afford the humiliation of another defeat.

The elected officials and the membership, with our vote control our future and job security. We must all get involved. There ain't no free lunch!

Richard K. Reed, Bk #3181

IBU election results

In the recently concluded election of the Inlandboatmen's Union of the Pacific/Marine Division ILWU, the following officers were elected:

IBU National

President: David Freiboth;
Secretary-Treasurer: Terri Mast

Regional Directors

Alaska Region: Darryl Tseu
Puget Sound Region: Peter Jones
Columbia River Region: Jim Dunnigan
Region 37: Richard Gurtiza
San Francisco Region: Marina Secchitano
Southern California: Stefan Mueller
Hawaii: Jonathan Lono

DSFU officers for the year 2000

Following a productive and profitable 1999 fishing season, the members of the Deep Sea Fishermen's Union of the Pacific returned home to hold their annual elections. Tim Henkel, who marched in Seattle with the SUP contingent during the WTO protest, was elected President.

In the post of Vice President is former President Gregg Thompson. New members were also elected to the Executive Board. The SUP-affiliated DSFU was established in 1912 under the leadership of the SUP Seattle Branch Agent Pete Gill. Since then, the DSFU has flourished delivering high-quality fresh seafood, primarily halibut, to American markets.

Vote March 7
California
Primary

Port prep in the *Lurline*



Photo by Paul Barbour

Breaking out the lines recently for arrival in Honolulu aboard Matson Navigation Company's *s/s Lurline* are from left to right SUP members Ray Harlow, Vaa Tautala, and Robert Morgan.

French and Germans propose tougher maritime security rules

The transport ministers of France and Germany have proposed a six-point maritime security plan they want the European Union to adopt.

The proposals, developed in conjunction with the International Maritime Organization and EU maritime experts include:

- Developing a high-tech European system, including the use of transponder ship-identification equipment, to monitor maritime safety.
- Strengthening the safety controls and inspection of vessels in the North Sea and other European trade routes.
- Sharpening the technical requirement for ships, especially those older than 15 years, and requiring better safety training for crews.
- Introducing a new information system on the condition of vessels, and negotiating agreements to make maritime transport markets more transparent.
- Expanding possible EU sanctions against vessel owners whose ships do not meet IMO safety standards.
- Helping develop a new international charter on maritime safety.

\$99 million in Clinton budget to fund MSP

President Clinton sent his 54.9 billion fiscal year 2001 budget request to Congress last week, a request that included \$99 million for full funding of the Maritime Security Program (MSP).

The MSP supports a fleet of 47 militarily useful U.S.-flag commercial ships engaged in the international trades. The program has been fully funded every year since its authorization in 1996.

The budget specifics within the Department of Transportation plan for \$185 million to be allocated to the Maritime Administration, including the MSP funding, which represents a three percent increase over this year's \$179 million. The U.S. Coast Guard is allotted \$4.6 billion in the budget which is higher than current levels by almost \$500 million. The Federal Maritime Commission would receive \$14.5 million under the plan. The Ready Reserve Force, which is managed by MARAD but funded by the Department of Defense, would receive \$262 million-up slightly from the current \$257 million.

Despite controversial aspects such as the Harbor Maintenance Tax, most maritime players greeted the plan with cautious optimism and praised the Clinton Administration for supporting the U.S.-flag merchant marine and its defense sealift capabilities.

Canadian merchant navy vets win \$50 million compensation

"It's about time," said Londoner Harvey Hollingsworth after the federal government announced a \$50 million compensation package for veterans of Canada's merchant navy.

"It took me more than 50 years just to get my Canadian Voluntary Service medal (CSVN)," said Hollingsworth. "We did a very good job. I've lost a lot of friends and the characters I knew." Some merchant mariners staged a hunger strike on Parliament Hill last year to demand compensation.

Virtually 7,300 merchant navy veterans and surviving spouses will be eligible for the tax-free compensation to be awarded in two installments based on service aboard cargo ships.

Canada's merchant mariners, many too young or old to serve in the military, kept Europe supplied during World War II. About 1,500 died in the Battle of the Atlantic, a higher casualty rate than in any armed service.

Weak cabotage laws force Aussie seafarers to fight for domestic shipping

The Maritime Union of Australia issued the following press release on February 11:

"Australian seafarers are battling to save their jobs and Australia's domestic shipping industry going to Third World guest workers employed on foreign flag vessels.

CSL, Australia, announced this month that it would sail its coastal trader *River Yarra* under a foreign flag with foreign crew, after unsuccessfully lobbying the government against unfair competition in the domestic market. The *River Yarra* has been in dry dock in China for two months and most of her Australian crew were in Adelaide working or on leave when they learned that their jobs would go to foreign labour.

Maritime Union of Australia seafarers on board the *Yarra's* sister vessel, the *River Torrens*, voted unanimously in favour of industrial action in protest against the treatment of *River Yarra* crew and in support of their own job security on February 5. The industrial action held the ship in Gladstone, Queensland, for three days while the battle was being fought out in the Industrial Relations Commission, Sydney, where the Maritime Union won a stay of execution on February 9.

The Commission recommended both parties hold off on industrial action or redundancies for five weeks while they consult.

CSL also agreed to fly the Australian crew back to join the *River Yarra* in China and to seek work using the crew, preferably in the Australian trade, while negotiations continue.

CSL Australia Managing Director David King, wrote to the Minister of Transport John Anderson last November detailing a system of single voyage permits which allow foreign ships to carry Australian cargo, when no Australian ship is available. Captain King said shippers were manipulating the system to exclude Australian ships and get cheaper rates. Most foreign vessels employ Third World crews, are exempt from tax and spend less on ship maintenance. Captain King said that if the government did not act, he would be forced to re-flag CSL vessels and 'operate within the SVP system'.

The government has not acted and the union suspects CSL was planning to bring the *River Yarra* back onto the Australian coast with foreign guest workers. This would impact on Australian jobs throughout the transport chain and beyond. The MUA is also concerned that an influx of substandard shipping would put our marine environment at greater risk.

The unions and shipowners have lobbied for Government fiscal assistance in recent years. But the government appears intent on opening the domestic trade to foreign operators and foreign labour. This is despite a report by the Shipping Reform Working Group arguing on both economic and defense grounds that maintaining an Australian flagged merchant fleet is in the national interest.

Meanwhile CSL/MUA negotiations are scheduled to commence on February 16, with the *River Yarra* ready to come out of dry dock on February 20. Both parties are due to report back to the Commission on March 17."

MEBA court victory:

LNG reflagging blocked

The Marine Engineers Beneficial Association won a victory in court this month when the U.S. court of Appeals for the District of Columbia Circuit granted a motion to stay a decision by the Maritime Administration which allowed the re-flagging of the last eight U.S.-flag Liquefied Natural as (LNG) vessels to Marshall Islands registry. The vessels are operated by PRONAV Ship Management.

The court decision is a meaningful victory for the MEBA because PRONAV appeared to be moving quickly to re-flag at least two of the vessels.

The stay was the first bright sign since the transfer application was filed with MarAd in January 1999 and ultimately approved in November. Hundreds of comments in opposition, including those of the SUP, had been sent to MarAd before the Agency decided that militarily, the LNG's did not require U.S. registry.

"We are not giving up this fight. This court decision gives us a little breathing room to re-marshal our forces and renew the attack," said MEBA president Larry O'Toole.

British maritime union takes action over wages

The National Union of Rail, Maritime and Transport Workers (RMT) is set to launch a five-month campaign of industrial action aimed at the Royal Fleet Auxiliary, after civilian sailors of the Royal Navy's supply arm rejected a 3.5% wage increase.

On selected dates the deck, engine and stewards departments will "restrict their duties."

Under British law, seafarers can only take industrial action on vessels moored in a safe berth and cannot involve vessels at anchor or at sea.

The action planned will mean that no Royal fleet Auxiliary ships will be able to leave port.

RMT official Tony Santamara said that the Union was prepared to negotiate but emphasized that "pay settlements have been low in recent years and our members want to catch up with the rest of the industry."

The RMT is the sole union for unlicensed personnel in the United Kingdom, representing over 6,000 deck, engine and steward department workers.

ITF-affiliated dockworkers strike in India

A massive strike of Indian port and dock workers was postponed following five days of protest. The spontaneous action included all of India's 11 principal ports and involved more than 100,000 workers.

At issue is the amount of negotiated wage increases, the term of the agreement, and the new rates for a housing allowance. Bargaining for 16 months with the Ministry of Surface Transport, waterfront unions comprising the ITF-affiliated All India Port and Dock Workers' Federation cited management obdurances and arrogance in their rejection of the proposed package. That offer included a 28 percent wage increase that would include worker liability for cost overhead-such liability would in fact result in a 15 percent wage cut. The unions have demanded a 106 percent increase. The Ministry of Transport also proposed that the wage settlement would be good for a period of 10 years vs. the union's proposal of five years.

After rejecting yet another unsatisfactory offer that would require workers in certain cases to pay back to Port Authorities enormous sums, the Federation resorted to the last collective bargaining tool available-the withdrawal of labor. Beginning as indefinite slowdown, and building into a united nationwide strike, cargo movement throughout India came to a standstill on January 18, 2000.

Late Saturday night, January 22, the strike was called off as the result of an agreement reached by government and union negotiators. The government promised to take up the matter of wage revisions at the "appropriate level" with a settlement to be reached by March 31. The government also agreed not to victimize the strikers and not to freeze the housing allowance rates. Two of the five participating unions said they were acquiescing in protest, and that they were not happy with the minister's "vague assurances." Evidently, the clock is still ticking for India.



California Labor Federation

March 7, 2000 Primary Endorsements

As passed by delegates to the pre-Primary Convention of the California Labor Federation on January 6, 2000.

U.S. SENATOR — Dianne Feinstein (D)

CONGRESS

District

1. Mike Thompson (D)
2. Stan Morgan (D)
3. Bob Kent (D)
4. Mark A. Norberg (D)
5. Robert T. Matsui (D)
6. Lynn Woolsey (D)
7. George Miller (D)
8. Nancy Pelosi (D)
9. Barbara Lee (D)
10. Ellen O. Tauscher (D)
11. No Endorsement
12. Tom Lantos (D)
13. Fortney (Pete) Stark (D)
14. Anna G. Eshoo (D)
15. Mike Honda (D)
16. Zoe Lofgren (D)
17. *Endorsement of Sam Farr (D) contingent upon his meeting with Basic Vegetable unions and affected central labor councils
18. Gary A. Condit (D)
19. Dan Rosenberg (D)
20. No Endorsement
21. Open (D)
22. Lois Capps (D)
23. Michael Case (D)
24. Brad Sherman (D)
25. No Endorsement
26. Howard L. Berman (D)
27. Adam Schiff (D)
28. Janice M. Nelson (D)
29. Henry A. Waxman (D)
30. Xavier Becerra (D)
31. Hilda L. Solis (D)
32. Julian C. Dixon (D)
33. Lucille Roybal-Allard (D)
34. Grace Napolitano (D)
35. Maxine Waters (D)
36. Jane Harman (D)
37. Juanita MillenderMcDonald (D)
38. Gerrie Schipske (D)
39. No Endorsement
40. No Endorsement
41. No Endorsement
42. Joe Baca (D)
43. No Endorsement
44. Ron Oden (D)
45. Ted Crisell (D)
46. Loretta Sanchez (D)
47. Jim Keysor (D)
48. Peter Kouvelis (D)
49. Susan A. Davis (D)

50. Bob Filner (D)
51. No Endorsement
52. Craig Barkacs (D)

State Senate

1. Thomas Romero (D)
3. John L. Burton (D)
5. Michael J. Machado (D)
7. Tom Torlakson (D)
9. Don Perata (D)
11. Byron Sher (D)
13. John Vasconcellos (D)
15. No Endorsement
17. No Endorsement
19. Daniel R. Gonzales (D)
21. Scott Wildman (D)
23. Wally Knox (D)
25. Dual: Richard E. (Dick) Floyd, Edward Vincent (D)
27. Betty Karnette (D)
29. Steve Herfert (D)
31. Mike Rayburn (D)
33. Jack Roberts (D)
35. Steve Ray (D)
37. Mark Watton (R)
39. Dede Alpert (D)

State Assembly

District

1. Virginia Strom-Martin (D)
2. Virgil Parks (D)
3. Benjamin Wirtschafter (D)
4. No Endorsement
5. John Molina (D) (Write In)
6. Dual: Frank Egger (D) Jack Gibson (D)
7. Patricia (Pat) Wiggins (D)
8. Helen M. Thomson (D)
9. Darrell Steinberg (D)
10. Debra Gravert (D)
11. Joe Canciamilla (D)
12. Kevin Shelley (D)
13. Carole Migden (D)
14. Dion Louise Aroner (D)
15. Greg Rolen (D)
16. Wilma Chan (D)
17. Dual: Barbara Matthews (D) Tom Montes (D)
18. Ellen M. Corbett (D)
19. Lou Papan (D)
20. John A. Dutra (D)
21. Joe Simitian (D)
22. Elaine Alquist (D)

23. Manny Diaz (D)
24. Rebecca Cohn (D)
25. No Endorsement
26. *Dennis Cardoza (D)
27. Fred Keeley (D)
28. Simon Salinas (D)
29. Lita Reid (D)
30. Dean Florez (D)
31. Sarah Reyes (D)
32. Virginia R. Gurrola (D)
33. No Endorsement
34. Robert Conaway (D)
35. Hannah-Beth Jackson (D)
36. No Endorsement
37. Dual: Roz McGrath (D) Jon Sharkey (D)
38. Jon M. Lauritzen (D)
39. Tony Cardenas (D)
40. Bob Hertzberg (D)
41. Tony Vazquez (D)
42. Paul Koretz (D)
43. Dario J. Frommer (D)
44. Barry Gordon (D)
45. Jackie Goldberg (D)
46. Gil Cedillo (D)
47. Herb Wesson (D)
48. Roderick (Rod) Wright (D)
49. Gloria Romero (D)
50. Marco Antonio Firebaugh (D)

51. Jerome E. Horton (D)
52. Carl Washington (D)
53. George Nakano (D)
54. Alan Lowenthal (D)
55. Jenny Oropeza (D)
56. Sally Havice (D)
57. Edward (Ed) Chavez (D)
58. Thomas M. Calderon (D)
59. Meline Dolores Hall (D)
60. Jeff A. Duhamel (D)
61. Gloria N. McLeod (D)
62. John Longville (D)
63. Scott T. Stotz (D)
64. Jose Medina (D)
65. Ray R. Quinto (D)
66. Bill Estenger (D)
67. Andy Hilbert (D)
68. Tina Louise Laine (D)
69. Lou Correa (D)
70. Merritt Lori McKeon (D)
71. Bea Foster (D)
72. Gangadharappa Nanjundappa (D)
73. Robert D. Wilberg (D)
74. No Endorsement
75. No Endorsement
76. Christine Kehoe (D)
77. Todd Keegan (D)
78. Howard Wayne (D)
79. Juan Vargas (D)
80. Joey Acuna. Jr. (D)

VOTE March 7

Ballot Propositions

- | | |
|--|-------------------|
| 1A Gambling ----- | Yes |
| 12 Bond: Parks, water & coastal protection ----- | Yes |
| 13 Bond: Safe drinking water ----- | Yes |
| 14 Bond: Public library construction ----- | Yes |
| 15 Bond: Forensic laboratories ----- | Yes |
| 16 Bond: Veterans' homes ----- | Yes |
| 17 Lotteries: Charitable raffles ----- | Yes |
| 18 Murder: Special circumstances ----- | No Recommendation |
| 19 Peace officers ----- | Yes |
| 20 State Lottery: Cardenas Textbook Act ----- | No |
| 21 Juvenile crime ----- | No |
| 22 Limit on marriage ----- | No |
| 23 None of the above ballot option ----- | No |
| 24 Reapportionment. Removed from ballot by State Supreme Court | |
| 25 Election campaigns, contribution & spending limits ----- | No |
| 26 School facilities, bonds & local majority vote ----- | Yes |
| 27 Elections, term limits, Congressional candidates ----- | No |
| 28 Repeal of tobacco surtax enacted by Proposition 10 ----- | No |
| 29 Indian Gaming Compact ----- | No Recommendation |
| 30 Insurance claims, practices, civil remedies ----- | Yes |
| 31 Insurance claims, civil remedies, amendments ----- | Yes |



SUP President 's Report

February 15, 2000

CHEVRON SHIPPING COMPANY

As per the collective bargaining agreement with Chevron Shipping Company, wages, overtime, and premium rates were increased by 2% effective February 1, 2000.

In addition to the wage increase, SUP members working for Chevron will receive this month a 5.33% bonus on gross wages earned in 1999 as part of Chevron's Success Sharing Program. Success Sharing is based on the Return on Capital Employed for Chevron, USA, Inc. as a whole, compared to its major oil company competitors (BP Amoco, ARCO, ExxonMobil, Royal Dutch Shell and Texaco) and the performance of Chevron Shipping Company.

Chevron also notified the Union that for each dollar contributed by an employee to the company's 401(k) Profit Sharing/Saving Plan in the fourth quarter of 1999, Chevron matched that contribution by \$4.28 worth of company stock. The breakdown of the \$4.28 is as follows: for every dollar contributed by an employee to the Profit Sharing part of the Plan, Chevron made an allocation of company stock equal to \$3.28; and for every dollar contributed to a Profit Sharing account, Chevron allocated company stock equal to \$1.00 to an employee's Savings Plus account.

In order to reap the rewards of profit sharing, an SUP-represented employee must contribute a minimum of 2% of his or her base wages to the company's 401(k) Savings Plan.

Participation in Chevron's Profit Sharing/Savings Plan by SUP-represented employees was a result of the 1998 round of negotiations with the company. Those employed by Chevron who fail to take advantage of this negotiated benefit are literally short-changing themselves.

During bargaining in 1998, Chevron proposed that all weekend and holiday overtime payments be included in the base pay in order to maximize the benefit bearing base for the Profit Sharing/Saving Plan. In essence this would have changed the structure of the agreement from a 40-hour week to a 56-hour week, coupled with changes to the working rules of all three licensed department. The SUP Negotiating Committee at that time felt that prior to considering this proposal, full input was needed from the membership employed by Chevron. Therefore, it was agreed that in February 1999, or February 2000, the Union or the company could request that the agreement be opened to discuss this item.

In January 1999, another Negotiating Committee was elected which polled the Chevron fleet on the company's proposal. Overwhelmingly the response was negative.

During the ensuing year, there has been no demonstrated desire on the part of those employed by Chevron to revisit this issue at this time.

Anticipate that the company will raise it again during bargaining next year. The current Chevron collective bargaining agreement expires on January 31, 2001.

MARITIME ADMINISTRATION

As the membership will recall, after the Maritime Security Program (MSP) was signed into law by President Clinton on October 8, 1996, American President Lines offered MarAd 13 vessels for enrollment in the program. MarAd ultimately offered APL nine MSP "slots," which left the *APL China* and *APL Japan* under foreign-flag with foreign crews. However, MarAd in acknowledging the protests of the SUP, MFOW, and SIU-Marine Cooks, stated that if "slots" in MSP became available prior to March 11, 2000, APL would have to offer the *China* and *Japan* for enrollment.

Last month, the West Coast Unions sent Maritime Administrator, Clyde Hart, Jr., the following letter in the ongoing effort to bring these vessels under U.S.-flag with American crews.

January 31, 2000

Mr. Clyde Hart, Jr.

Maritime Administrator

RE: APL China and APL Japan

Dear Mr. Hart:

On October 16, 1997, the Maritime Administration approved the applications of American President Lines, LTD (APL) and American Ship Management, LLC (ASM) to transfer APL's Maritime Security Program (MSP) Operating Agreements Nos. MA/MSP-1 through MA/MSP-9 to ASM.

In a letter to Mr. Timothy Rhein, APL President and CEO, certain conditions were stipulated by Maritime Administrator Albert Herberger specifically the MSP enrollment of two additional vessels if slots become available prior to March 11, 2000.

That caveat is identified in section P. on page 6, of the letter, and states:

"Confirmed APL's agreement, in consideration for approval of transfer of nine Operating Agreements of APL by the MarAd on this date, to continue to agree to make good faith efforts to apply for inclusion, in the MSP, of two additional vessels, if additional slots for such program become available and three years from March 11, 1997, have not expired. These two vessels would be in addition to vessels enrolled in the MSP as of this date and failure to make such good faith efforts to apply shall constitute breach of contract by APL with the United States."

There can be no doubt that two additional vessels mentioned were the *APL China* and *APL Japan*.

On November 7, 1996, APL offered the following vessels to MarAd for enrollment in MSP: The C-10 type vessels *Presidents Adams, Jackson, Kennedy, Polk, Truman*; the C-11 type vessels *APL China, APL Japan, APL Korea, APL Philippines, APL Singapore, APL Thailand*; and the J-9 type vessels *President Eisenhower* and *President F. D. Roosevelt*.

On December 13, 1996, MarAd accepted APL's offer of the five C-10 type vessels and four of the C-11 type vessels, rejecting the *APL China* and *APL Japan* along with the *Presidents Eisenhower* and *Roosevelt*.

There can be no doubt that the *APL China* and *APL Japan* were the type of vessels that MarAd wanted in MSP as their sisterships were accepted. However, there was apparently a shortage of MSP slots available which gave rise to the Administrator's previously referenced stipulation.

In supporting the applications of APL and ASM to transfer APL's MSP Operating Agreements to ASM, the *Seafarers' International Union of North America-Pacific District (SIUNA-PD)*, comprised of the *Sailors' Union of the Pacific (SUP)*, the *Marine Firemen's Union (MFOW)*, and the *Seafarers' International Union-Atlantic, Gulf, Lakes, and Inland Waters' District (SIU-AGLIWD)*, in letters to MarAd on July 22, 1997, and August 19, 1997, requested that MarAd require APL to commit the *APL China* and *APL Japan* in accordance with MarAd's decision of March 11, 1997.

In that decision, MarAd stated in sections IV.C. on Page 3, that:

"APL shall make good faith efforts to apply for two additional vessels if additional slots for the MSP have become available and three years have not expired from the date of this waiver. (These two vessels would be in addition to the nine vessels which APL enrolled in the MSP on January 21, 1997.) If APL fails to make such an application, then upon 90 days notice to APL, the Maritime Administrator may reduce the number of foreign-flag linehaul vessels authorized by this waiver from 18 to 16."

It should be noted that the *SIUNA-PD* in comments submitted to MarAd on February 4, 1997, regarding Docket MSP-006/S.942, requested that the *APL China* and *APL Japan* be included in the MSP if slots became available. It is clear from the March 11, 1997 decision and the October 16, 1997 decision, that MarAd wanted the *APL China* and the *APL Japan* in the MSP if slots became available.

However, in July 1997 when slots did become avail-

able, MarAd rejected the request made by the *SIUNA-PD* on July 21, 1999 to allocate those slots to the *APL China* and *APL Japan*.

Given that fact that the Maritime Security Program is authorized until September 30, 2005 and assuming that slots in MSP will become available before that date, the *SIUNA-PD* as indispensable parties affected by MarAd's decisions on this matter, strongly request that the October 16, 1997 decision be modified to reflect September 30, 2005 instead of March 11, 2000.

Extending for five years the "window" for APL/ASM to enroll the *APL China* and *APL Japan* in MSP (if slots become available) would be consistent with the goals of MSP and U.S. maritime policy in general.

It must be again noted that the *APL China* and *APL Japan* were built in 1995. Both vessels operate in trans-Pacific service in the same trade route as the U.S.-flagged, MSP enrolled, *APL Korea, APL Philippines, APL Singapore* and *APL Thailand*, which were also built in 1995 for the same owner.

As affected parties, we again strongly request MarAd to extend the date for possible enrollment of the *APL China* and *APL Japan* to September 30, 2005.

Sincerely,

Gunnar Lundeborg

President/Secretary-Treasurer, SUP;

Henry Disley

President/Secretary-Treasurer, MFOW;

Nick Marrone

West Coast Vice President, SIU-AGLIWD

READY RESERVE FLEET

As the membership will recall, in June 1998, the Maritime Administration released the names of companies awarded contracts to manage vessels under the agency's Ready Reserve Fleet (RRF) management program. Patriot Contract Services, a division of SUP-contracted American Ship Management, was awarded only six vessels despite the fact that it was managing 12 vessels that were transferred from American President Lines.

After the award was announced, Patriot and other companies filed protests with MarAd seeking a more fair and equitable award. As a result of those protests, on July 2, 1998, MarAd advised the General Counsel of the U.S. General Accounting Office that, due to an error, some of the awards were improper. Because of that error and MarAd's inability to determine with accuracy whether the government obtained the best overall value under the complex pricing structure in the solicitation, MarAd rescinded all awards.

Awarding the RRF management contracts were subsequently delayed several times and have yet to be awarded. The resultant status quo is that Patriot continues to manage 12 RRF vessels.

On October 1, 1999, Judge William Bryant of the U.S. District Court for the District of Columbia ruled that MarAd was in violation of the Service Contract Act of 1965, a statute to prevent, in part, companies from slashing wages to win federal contracts. Judge Bryant's decision stated that MarAd's procedures illegally encouraged bidders to cut wages and benefits for those working in RRF vessels. MarAd chose not to appeal the ruling and altered its bidding procedures to conform with Judge Bryant's ruling.

In January of this year, Patriot and other companies submitted bids to manage the 89 vessels currently in the Ready Reserve Fleet. Incorporated in Patriot's bid are the labor costs for the SUP, MFOW and SIU-Marine Cooks which comprise the *SIUNA Pacific District*. The wage and benefit package are virtually the same as those negotiated and ratified by the membership last month for Matson's bid to manage the Military Sealift Command's Fast Sealift Ships.

Accordingly, signed a Memorandum of Understanding on January 14, subject to membership approval, with Patriot covering wage and fringe benefit rates for RRF ships in Full Operating Status (FOS) and in Reduced Operating Status (ROS). Hopefully, Patriot is a successful bidder and receives its fair share (12) of the RRF vessels. The contract will be good for five years.

SUP President 's Report continued

The Memorandum of Understanding is as follows:

Memorandum of Understanding

Memorandum of Understanding of January 14, 2000 between American Ship Management (ASM) and the Seafarers’ International Union - Pacific District (SIU-PD), comprised of the Sailors’ Union of the Pacific (SUP), Marine Firemen’s Union (MFU) and the Seafarers’ International Union - AGLIWD (SIU).

Whereas, American Ship Management is the labor contract holder for its affiliate Patriot Contract Services, LLC, and

Whereas, Patriot Contract Services, LLC desires to manage Ready Reserve Force (RRF) vessels under the resultant Ship Manager contract(s) from RFP DTMA 91-97-R-00002 and

Whereas, the parties agree to all terms and conditions of the above referenced RFP and any items not identified herein default to the collective bargaining agreement, and

Whereas, MarAd plans to operate one or more RRF vessels as Reduced Operating Status (ROS) manned vessel(s),

Now therefore the parties hereby agree to the following:

1) The size and billet requirements of the ROS unlicensed crew(s) will be determined by the Company as required by MarAd. An ROS vessel will generally be manned as below. Wages and related items are as per Appendix 1:

- Deck Maintenance
- Maintenance Jr. Engineer
- General Vessel Utility
- Maintenance Electrician
- Steward/Cook

2) The determined manning, working as a team, will perform all planned maintenance work on board the vessel, and will provide subsistence and quarters for the crew without the payment of overtime.

3) The Deck Maintenance man will have the qualifications and experience of a Bosun.

The Maintenance Electrician shall have the qualifications and experience of a Chief Electrician.

The Maintenance Jr. Engineers shall have the qualifications and experience of a QMED.

The General Vessel Utility shall have the qualifications and experience of an Ordinary Seaman, Wiper and Food Handler.

The Maintenance Steward Cook shall have the qualifications and experience of a Chief Steward and Chief Cook.

4) All of the above named shall be permanent employees and must sail with the vessel if activated. Upon Full Operating Status (FOS) wages shall be as the attached Appendix 2.

5) The company reserves the right to approve each and every crewmember. All crewmembers shall be considered probationary for the first sixty (60) calendar days of their employment. During this probationary period, employment may be terminated by the Company for any lawful reason, and there shall be no recourse through the grievance procedure. If the company terminates his employment he will be ineligible to sail on any RRF vessel. All crewmembers must comply with the requirements of the International Convention on Standards of Training Certification and Watchkeeping (STCW).

6) Transportation will be paid at the government rate upon being NFFD.

7) The work hours for the Deck and Engine Department will be 0800 to 1700, Monday through Friday, with one (1) hour for lunch and fifteen (15) minutes for coffee in the morning and in the afternoon.

The work hours of the Steward’s Department shall be eight (8) hours in a spread of twelve (12) hours, Monday through Friday.

Any additional hours shall be payable at time and one-half.

8) ROS crewmembers will receive a daily meal allowance in accordance with the government’s Joint Travel Regulation (JTR) rate for the city in which the vessel is berthed any day in which the Company has not provided meals. Quarters will be available at all times.

9) Room and bunk is to be kept in a neat and

clean condition. The individual occupant of each room shall maintain this condition provided the same clause is applicable to the Officers.

10) The following holidays will be observed while the vessel is in the Maintenance (ROS) phase:

- | | |
|------------------------|------------------|
| New Year’s Day | Labor Day |
| Martin Luther King Day | Columbus Day |
| Presidents’ Day | Veterans’ Day |
| Memorial Day | Thanksgiving Day |
| Independence Day | Christmas Day |

11) ROS crewmembers will be paid semi-monthly. There will be no discharges, but time worked under this agreement will qualify for seniority changes. The Company will pay vacation directly to the employee in there semi-monthly paycheck.

12) At the second, third, and fourth anniversary date of the awarding of the RRF contract to Patriot Contract Services, LLC, there shall be a three percent (3%) increase in the total labor cost of ROS and FOS to be apportioned as determined by the Company and the Union. The duration of this contract is five (5) years. Should it extend past that period, the Union and Company will meet to negotiate any additional increases.

13) The Seafarer’s International Union - Pacific District agrees to no strike, no work in accordance with Appendix 3.

s/Gunnar Lundeborg, President, Sailors’ Union of the Pacific; s/Henry Disley, President, Marine Firemen’s Union; s/Augustine Tellez, Vice President, Seafarers’ International Union-AGLIWD

s/Saunders A. Jones, Executive Vice President, COO, American Ship Management LLC

Appendix 1

ROS (Reduced Operating Status) Wages and related items for the SUP:

| Rating | Daily Wage | B e n e f i t |
|-------------------------|------------|---------------|
| Base | | |
| Deck Maintenance, AB | \$115.43 | \$89.95 |
| General Vessel Utility, | | |
| Maintenance OS | \$85.04 | \$66.26 |

The daily rates above are seven(7)-days-per-week rates.

While in ROS/RAV, the manning scale shall be as agreed upon between MarAd and the Company.

ROS Fringe Benefits and related items for the SUP:

Welfare: \$34.51
Training: \$5.00
JEC: \$2.00
SUP Money Purchase Pension Plan: \$13.00(all ratings)

Unlicensed personnel shall earn one and one-half (1½) days of paid vacation and one (1) day of sick leave for each thirty (30) days on the payroll. Vacation pay and sick leave benefits shall be paid directly by the company. A maximum of four (4) sick days per calendar year is permitted without a physician certification of illness. Thereafter, all sick days must be supported by proper medical documentation. All sick days shall require the unlicensed crewmember to notify the vessel via telephone or facsimile. The occurrence of singular sick days shall not be cause for notification of same to the Marine Index Bureau (MIB).

Appendix 2

FOS (Full Operating Status)Wages and related items for the SUP:

| | Daily Wage | Benefit Base | OT Rate |
|-------------------|------------|--------------|---------|
| Bosun | \$120.18 | \$120.18 | \$25.36 |
| Deck Maintenance, | | | |
| AB | \$89.95 | \$89.95 | \$21.64 |
| Utility, OS | \$66.26 | \$66.26 | \$15.94 |

While in FOS, the manning scale shall be as agreed upon between MarAd and the Company. The man-

ning scales shall be adjusted only in accordance with the provisions of the Agreement between MarAd and the Company; provided, however, that the manning scale shall always be no less than that required by the Certificate of Inspection issued by the United States Coast Guard.

FOS Fringe benefits and related items for the SUP:

Welfare: \$34.51
Training: \$5.00
JEC: \$2.00
SUP Money Purchase Pension Plan: \$13.00(all ratings)
Unlicensed personnel shall earn fifteen (15) days of paid vacation for each thirty (30) days on the payroll, or pro rata while employed in FOS.

Appendix 3

RE: RFP No. 91-97-R-00002

The Seafarers’ International Union - Pacific District (Sailors’ Union of the Pacific, Marine Firemen’s Union, and Seafarers’ International Union - AGLIWD) has reviewed the above captioned RFP along with its amendments and agree to the following:

1) The Unions have collective bargaining agreements with the Company covering unlicensed personnel employed by the Company. The duration of the operating agreement (Ship Manager Contracts) between the Company and MarAd will be for a period of five (5) years.

2) Recognizing that critical and sensitive services are required under this contract, it is essential that continuous operation of the ships be maintained. Therefore, there shall be no work stoppages of any type, including but not limited to strikes, sympathy strikes, boycotts, slowdowns, sick-outs, primary or secondary picketing, protests against unfair labor practices, contract violations, social or political protests and any other protests or interruption or interference with work on board the vessel(s) for the full term of the Ship Manager Contracts resulting from the above referenced RFP. Let it be known that our collective bargaining agreements contain provisions for resolution of labor disputes through binding arbitration coupled with “no strike, no lockout provisions.”

3) Additionally, with regard to the subject RFP and the specific requirements imposed by MarAd to manning, the Unions agree that any crewmember discharged for cause may be denied future employment aboard an RRF vessel, including vessels operated by another ship manager.

4) The Unions will provide qualified personnel for the operation of the above-referenced vessels and will work with the Company in performing the necessary training programs.

5) The SIU-Pacific District Unions fully understand and whole-heartedly support the mission of the RRF. Should emergency activation of the RRF fleet occur, the Unions will take all steps necessary to ensure timely and complete manning of all activated RRF vessel(s).

Recommend membership ratification.

MATSON NAVIGATION COMPANY

Last month reported on a Memorandum of Understanding with Matson covering eight Fast Sealift Ships (FSS) that the company is bidding to operate for the Military Sealift Command. That Memorandum was ratified at the coastwise meetings in January. Regrettably, there were a couple of typographical errors in the agreement regarding manning wage, overtime, and supplemental benefit (vacation) rates. The correct rates, etc., for the SUP, are as follows:

Manning

- Full Operational Status (FOS): 1 Bosun, 6 A.B.s, 3 O.S.s

SUP President 's Report continued

- Reduced Operational Status (ROS): 1 Bosun, 1 A.B., 1 O.S.

Daily Wage and Overtime Rates

- Bosun \$120.18 \$25.36 OT
- A.B. \$89.95 \$21.64 OT
- O.S. \$66.24 \$15.94 OT
- Wages are paid seven days a week in ROS and FOS.
- Wage Increases: In the subsequent anniversary dates of the contract award, there shall be a 3% increase in all rates of pay.

Work week: 40 hours per week at sea and in port. Overtime after 8 hours and on weekends and holidays.

Supplemental Benefits (Vacation pay)

- ROS: 10 days per month
- Bosun: \$40.06 per day
- A.B.: \$29.98 per day
- O.S.: \$22.09 per day
- FOS: 15 days per month
- Bosun: \$64.30 per day
- A.B.: \$48.12 per day
- O.S.: \$35.45 per day

SUP Money Purchase Pension Plan

- Bosun: \$13.00 per day
- A.B.: \$13.00 per day
- O.S.: \$13.00 per day

EXXON SEAMEN'S UNION

At the invitation of Exxon Seamen's Union (ESU), President W.T. "Jerry" Patterson, attended, along with then rank-and-file member and now Vice President/Assistant Secretary-Treasurer-elect Dave Connolly, the ESU's Ship Representatives Conference from January 18 to 20, in Galveston, Texas.

The ESU's Ship's Representatives are equivalent to SUP delegates except they are elected by the ESU membership as a whole for specific ships in the SeaRiver Maritime fleet; remaining in those vessels for their entire elected tenure.

In addition to attending several conference meetings, Brother Connolly and your secretary had an opportunity to give an overview of the SUP and answered questions regarding the ESU's affiliation with the SUP, with a discussion on ways to strengthen the relationship between the two Unions and to foster a better understanding of the common struggles we face.

Toward that end the ESU agreed to the SUP's proposal to incorporate the *ESU News* into the *West Coast Sailors* beginning in March on a trial basis. The *ESU News* section of the *West Coast Sailors* will be written and edited by the ESU Executive Board. Also discussed was the possibly of establishing an ESU office at Headquarters.

Overall the Ship Representatives meeting was very productive, further solidifying the bond of solidarity between the SUP and ESU.

AMERICAN PROGRESS

As a result of last year's merger between Exxon and Mobil Oil to form ExxonMobil, the company has decided that SeaRiver Maritime, the marine subsidiary of the corporation, will operate all of ExxonMobil's vessels including the SUP-contracted *American Progress*.

What this means, in practical terms, is that since the SeaRiver U.S.-flag fleet is larger than Mobil Oil's one vessel U.S.-flag operation, the *American Progress* will be accreted into SeaRiver. The doctrine of accretion is not new in the maritime industry. As the membership will recall, in 1978 the National Labor Relations Board ruled, in a complaint filed by the SUP and MFOW, that Prudential Lines had been accreted by Delta Line when the latter purchased the former. Based on this and other cases and the opinions of various legal sources, it would be a futile effort for the SUP to expend time and money to fight to retain collective bargaining rights in the *American Progress*.

At the request of Russ Lindblad, Mobil's manager of fleet personnel, met with representatives of SeaRiver at Headquarters on February 4, to discuss the integration of the *American Progress* into the SeaRiver fleet.

In attendance for the Union were Business Agent Kaj Kristensen, Vice President/Assistant Secretary-Treasurer-elect Dave Connolly, Exxon Seamen's Union (ESU) President Jerry Patterson, ESU Vice President John Straley, ESU Recording Secretary Tommy Thompson, attorney John Henning, and your secretary. SeaRiver was represented by Edward Cahill, Human Resources Manger; Albert Galik, General Counsel; Jack Bono, Vice President of Operations; Raymond Loney, Human Resources Specialist, and Mr. Lindblad.

SeaRiver stated that it would offer to employ all SUP personnel in the *American Progress* who meet the company's standards. The terms and conditions of employment will be in accordance with SeaRiver's collective bargaining agreement with the SUP-affiliated Exxon Seamen's Union.

All fringe benefits (medical, pension, etc.) will be in accordance with the Exxon Seamen's Union/SeaRiver agreement. However, it was agreed between the SUP and SeaRiver to discuss a reciprocity agreement between the SeaRiver pension plan and the SIUNA Pacific District Pension Plan so that Mobil pension time could be counted along with credits accumulated under the SeaRiver plan.

The issues of seniority for those in the *American Progress* brought into the SeaRiver fleet are to be discussed between the ESU and the company.

While it is distasteful to lose a ship and a company, the conditions offered by SeaRiver were generous in that all who meet company standards will continue their seagoing employment with the company under a good ESU agreement if they so desire.

In a letter sent this week to all SUP members employed in the *American Progress*, the details of the February 4 meeting were reported. All members accepting employment with SeaRiver were urged to join the ESU as well as maintain their SUP membership. We also urge ESU members to join the SUP which would strengthen our organizational activity with the ESU.

LAWSUIT: AMO VS. MSC

Late last year, the American Maritime Officers (AMO) filed suit in the United States District Court for the District of Columbia against the Military Sealift Command (MSC) and the Department of Labor seeking an injunction to void the award made to SUP-contracted Patriot Contract Services for the operation of 11 Large Medium-Speed Roll-On/Roll-Off (LMSR) vessels.

The essence of AMO'S argument is that the government violated the Service Contract Act in awarding the ships to Patriot. In fact AMO is basing its claim on the October 1, 1999 ruling of Judge William Bryant of the District Court nullifying the Ready Reserve Fleet awards. That suit was initiated by AMO. Judge Bryant is also presiding over this case.

The SUP firmly believes that AMO's contention is bogus and without merit and has accordingly filed a motion in the same District Court opposing the AMO motion for a preliminary injunction and requesting that Judge Bryant allow the SUP to intervene as a defendant in the case. The Masters, Mates, and Pilots have filed the same motions. Both unions have retained the Washington, D.C. law firm of Zuckert Scoutt & Rasenberger LLP to fight this important case.

Patriot and the federal government have both filed motions to dismiss AMO's suit as well as motions to remove Judge Bryant from the case.

As of today's meeting, Judge Bryant has not made any rulings.

Will keep the membership fully informed.

LMSR TRAINING

The next training class for those interested in working in Large Medium-Speed Roll-On/Roll-Off (LMSR) vessels operated by SUP-contracted Patriot Contract Services is scheduled to begin on Tuesday, March 14.

No one can be shipped to the LMSRs without taking the Military Sealift Command required training.

Applications to attend training class are available at every SUP hall, the Andrew Furuseth School of Seamanship, and the SUP Welfare Plan.

Currently the *USNS Fisher* is in Norfolk with a full crew while a gang was shipped this month to the *USNS Seay* currently at Avondale Shipyard. The next LMSR, *USNS Mendonca*, is scheduled for delivery to Patriot in July.

SUP ELECTION

The recently concluded SUP election for officers for the 2000-2002 term marks a sea-change for the Union.

With the decision of Duane Hewitt, Bill Berger, Peter Oh, and Kaj Kristensen not to seek re-election, the SUP has lost years of experience and institutional knowledge of our organization. Each of these Brothers have, in their own way, contributed to advancing the cause of the Union on a day-to-day basis. Through fair weather and foul, these Brothers have been at the forefront. Their outstanding service merits the appreciation, respect, and thanks of the membership.

The newly-elected officers, Dave Connolly, Wayne Burgess, Mike Duvall and Bill Henneberry have big shoes to fill but given the confidence the membership placed in them in the election, there is no doubt that they are up to the task. They deserve the respect and support of the membership.

In other election matters, the failure of the proposition to increase dues to achieve the necessary two-thirds majority was a disappointment. Although the Union as a whole is financially strong, the General Fund continues to run a deficit. While costs continue to rise, membership dues, etc. have remained fixed.

As the job-base of the Union continues to grow with addition of the LMSRs and the possible addition of the Fast Sealift Ships, the Union will most likely have to open an office on the East Coast. This will cost money. To address this problem, anticipate recommending that the membership allocate monies from the ASM and Matson wage increases in June to support the hiring hall.

BANKING COMMITTEE

In accordance with Article XVII of the SUP Constitution, a Banking Committee shall be elected at today's Headquarters' meeting.

The duty of the Banking Committee "...shall be to receive and receipt for any money ordered withdrawn from any saving account of the Union...for the payment of authorized current bills."

As the President/Secretary-Treasurer is a member of the Banking Committee in accordance with the Constitution, recommend that the balance of the Committee be filled by Dave Connolly, Bill Henneberry, Knud Andersen and Terry Lane.

The new Banking Committee will relieve last term's Committee on March 1.

ACTION TAKEN

RRF/MOU to concur. Carried unanimously.

Banking Committee: Nominations called for by Paul Calais. Nominated were Andersen, Calais, Connolly, Henneberry and Lane. Elected by standing vote, were Andersen, Connolly, Henneberry and Lane.

M/S to concur in the balance of the President's report. Carried unanimously.

Gunnar Lundeberg

Attend your
Union meetings!

San Francisco Business Agent

February 15, 2000

Ewa - Jon Rose, delegate: Sailed for the shipyard in Korea.

Kauai - Gene Van Klinken, delegate: In twice in the past month with no problems. Danny Gonzales, serang, doing a bang up job, SUP style. Chief mate Peter Marshall gave the gang thumbs up.

Lurline - Robert Morgan, delegate: Running smoothly; good gang; Bob Burns bosun.

Mahimahi - Rich Williams, delegate: In at Middle Harbor Terminal in good shape. Signed articles and sailed for Guam in good shape.

Manoa - Hannu Kurppa, delegate: Up from Wilmington, clean. Signed articles and sailed for Guam in good shape.

Matsonia - Joe Chung, delegate: Running smoothly; good gang; Jim McGee bosun.

Maui - Art Kardinal, delegate: In twice, mate needs charm school. Wanted to blame bosun and delegate for his screw-up during the COI.

Mokihana - Ralph Shiohita, delegate: Up from Wilmington with several beefs. This mate is no bargain either. He could also spend a little time in charm school, learning not to talk down to people. Mate doing sailors work squared away. Man called out to make coffee is to be paid for full hour as per Section 11.G who is not entitled to the minimum. No more winch familiarization training for sailors on watch Saturdays, Sunday, and holidays. Articles were signed and ship sailed for the smooth weather run to Guam.

Moku Pahu - Don Persian, delegate: In at Crockett, after discharge she will go to the shipyard in Portland, Oregon for about three weeks, then load in a Columbia River Port for ports unknown. Vince Estrada, bosun, doing a fine job.

R.J. Pfeiffer - Dave Krnach, delegate: In twice, running smoothly.

Chevron Arizona - Ed Suguitan, delegate: paid her a visit in Fort Lauderdale and found her in good shape on the romance run Pascagula to Florida.

Chevron Colorado - John McNeill, delegate: In several times in the past with no problems; Mike Fox bosun.

Chevron Mississippi - In route Valdez to Hawaii. Gang is very happy with new recliners and bar.

Chevron Washington - G. Sipin, delegate: In very good shape with Nick Hoogendam bosun.

Chevron Shore Gang - Routine with Pat Shrimpton bosun.

San Francisco Bar Pilots - Leo Moore, bosun: All boats, shoregang and dispatchers in good shape.

Foss Maritime - Tom Tynan, delegate: Things have been very peaceful in the past month, however, outstanding disputes with company remain.

Ready Reserve Fleet - Paid them a visit in the past month. All are in good shape.

American Ship Management, Shore Gang - Norman Kwak, delegate: In fine shape.

President Adams - President Adams - Jim Clay, delegate: In very good shape. Signed articles and sailed for the Far East.

President Grant - Stanley Lane, delegate: in and out in good shape. Don Potts bosun. Bobby Iwata MFOW Vice President and I met with Captain Nelson re-

SUP Branch Reports

Seattle

January 18, 2000

Shipping for the period: 2 Relief Bosn's and 1 Return taken by A-cards. 2 Steady Ab's filled by 1 A; and 1 B-card. 3 Reliefs taken by 1 A; and 2 C-cards. 3 Ab's fly to S.F. filled by 1 C and 2 D-cards. 1 Ab with MSC training to "USNS Fisher" C-card. The "Cape Intrepid" broke out for 5 day sea trials. These jobs were filled by 2 A's, 4 B's and 3 C-cards. As well we had 12 standby jobs taken by 5 A's, 3 B's, 3 D's and 1 MFU member

Registration: 14 A-cards for a total of 43; 6 B-cards for a total of 20; 7 C-cards for a total of 9.

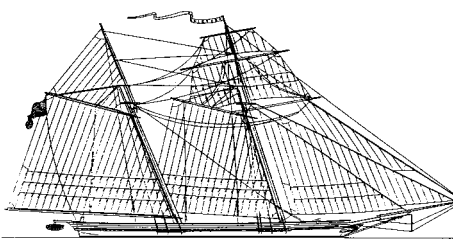
Ships checked

Kauai alongside the dock for a week; bosun Dick Cykowski reports a hard working gang on board. *Manukai* in and out; bosun Art Thanash says happy ship no problems. *Maui* laid up for a week and called the crew back. After some confusion in regards to returning physicals, Matson labor relations now requires a physical when returning to a ship no matter how short a lay-up period is. *Manulani* running smoothly with "Ali Baba" back as serang. *APL Korea*, *APL Thailand*, and *APL Philippines* no problems. *APL Singapore* minor beefs settled to the gangs satisfaction. Delegate Don Erickson did a fine job with the sheets. With both the winter weather and end-of-the-year budget constraints, it's been slow for extras at the "Rigging Loft."

Matson is planning on redeploying it's Northwest fleet, two C-9's and the *s/s Ewa* will be calling at Seattle. The *Maui*, *Kauai* and the *Manulani* are tentatively headed for lay-up.

Mike Dirksen was acting agent while I went south on personal business. Attended the Puget Sound Maritime Trades Ports Council meeting and the King County Labor Council meetings. Also took part in the march honoring Dr. Martin Luther King.

Vince O'Halloran
Branch Agent



garding setting the steward straight on feeding in line with our contract.

President Jackson - Checked out repair list and delegate report. Inti Steinbach, delegate, put his time in; a new delegate is to be elected. Signed articles and sailed for the Far East.

President Kennedy - Dave Kaupiko, delegate: Up from Wilmington in good shape, few clarifications, signed articles and sailed for Alaska. Joey Eckert serang. Good gang.

President Polk - Ted Ochoa, delegate: Up from Wilmington in very good shape. Signed articles and sailed for the Far East. New delegate Louie Frazer.

President Truman - At Middle Harbor Terminal. Few clarifications otherwise in good order. Signed articles and sailed.

Kaj Kristensen

Wilmington

January 18, 2000

Shipped the following for the period: 8 bosuns, 10 ABs, 1 AB Maint., and 62 standbys, for a total of 81 jobs shipped.

Registration for the port as of this date: 54 A cards, 24 B cards, 8 C cards and 4 D cards.

Ships checked

Manulani, *President Kennedy*, *President Wilson*, *Lihue*, *Thailand*, *Lurline*, *Philippines*, *Mokihana*, *President Truman*, *Manoa* and *APL Singapore*.

December 11, SUP/MFOW jointly held the Christmas barbecue. The menu consisted of steaks and Wisconsin sausages, baked beans, chile, various salads, washed down with cold champagne, beer and soft drinks. It's hard to determine how many attended, but we served 150 steaks and sausages. Many compliments were extended to our Wilmington chefs, Dick Berger, Bob Berger, Diane Berger and Swen Ostman. Many thanks to SUP/MFOW members and pensioners who helped set up and cleaned up after the party. A good time was had by all.

William Berger
Branch Agent

Honolulu

January 18, 2000

During the month of December, dispatched the following: 5 ABs, 1 AB return, 1 AB relief and 1 AB maint. These jobs were filled by 7 A members and 1 b member. There were 14 standby jobs filled by 1 C member and 13 MFOW casual standbys. A total of 23 jobs were dispatched during the month of December, 1999.

Registered the following during the month of December: 4 A member, 5 B members and 3 C members. Total registered are 5 A members, 3 C members, and 2 D member, for a combined total of 15 members.

Ships checked

During the months of December and January made the following ships: *R.J. Pfeiffer*, *Matsonia*, *Lurline*, *Kauai*, *Maui*, *Chief Gadao*, *Lihue*, *Manukai* and the *Chevron Mississippi*. No major problems on any of these ships.

I attended the Honolulu Maritime Trades Council meeting on January 12, 2000. Shipping is slow in Honolulu.

Peter Oh
Branch Agent

SUP gang gets the job done for Chevron



Taking a blow for the camera after cleaning tanks in the Chevron Mississippi are from left to right: Elroy Wong, Danny Colton, Jr. Steven Chung, Anton Serauaseiy, Deke Tracey (led man) Brendan Bohannon, Bert Burris. Not pictured but on the wheel was Wallace Stephens. The Mississippi was enroute from Honolulu to Portland.

Support the SUP Political Fund

January 1, 2000

The crew of the Chevron Arizona sent the following regarding the quality and performance of Chin Nan.

"From mid November to mid January, we the crew of the Chevron Arizona have been able to observe the sanitary conditions of the galley, and the quality of Chin Nan's food. Even though it was not exactly the way mother would make ... it was satisfactory and the galley was well maintained and sanitary. We feel Mr. Nan's name should be cleared of all charges brought against him."

Dispatcher's Report

Hdqtrs. Jan. 2000

| | |
|---------------------------------------|-----|
| Deck | |
| Bosun | 6 |
| Carpenter | 0 |
| MM | 0 |
| AB | 23 |
| OS | 0 |
| Standby | 18 |
| Total Deck Jobs Shipped | 47 |
| Total Deck B, C, D Shipped | 6 |
| Engine/Steward | |
| QMED | 1 |
| Pumpman | 1 |
| Oiler | 0 |
| Wiper | 0 |
| Steward | 0 |
| Cook | 1 |
| Messman | 0 |
| Total E&S Jobs Shipped | 3 |
| Total E&S B, C, D Shipped | 3 |
| Total Jobs Shipped - All Depts. | 50 |
| Total B, C, D Shipped-All Depts. | 9 |
| Total Registered "A" | 110 |
| Total Registered "B" | 41 |
| Total Registered "C" | 30 |
| Total Registered "D" | 21 |