



# West Coast Sailors

Official Organ of the Sailors' Union of the Pacific

Volume LXXVI No. 3

SAN FRANCISCO, CALIFORNIA

Friday, March 22, 2013

## Sailors' Union's 128<sup>th</sup> Anniversary

The Sailors' Union of the Pacific this month observed the 128th anniversary of its founding, March 6, 1885, on the old Folsom Street Wharf in San Francisco.

In that era, organizing a Union was a bold move as there were no laws on the books that addressed collective bargaining rights for workers. That would not occur until the passage of the National Labor Relations Act in 1935.



ANDREW FURUSETH

For sailors, there were no rights. Under federal law they were serfs at the beck and call of the shipowner, the crimp, bucko masters and mates. Recognition, respect and improved conditions did not come easy. Men bled and some died for it.

With a militant membership and the tenacious leadership of Andrew Furuseth (March 5, 1854) and Harry Lundeberg (March 25, 1901), tremendous obstacles were overcome and the Sailors' Union developed an enduring legacy of strength and integrity.

In addition to the anniversary of the organization of the Union and the birthdays of former secretaries Furuseth and Lundeberg, March is also the 98<sup>th</sup> anniversary of the Seamen's Act which was signed into law by President Woodrow Wilson on March 4, 1915, after a 20-year struggle by Furuseth to free seamen from indentured servitude.

The current fight to retain cargo preference (Food for Peace /P.L. 480) is something that the SUP has been involved in for many years.

When President Dwight D. Eisenhower on August 26, 1954 signed a bill requiring that 50% of foreign aid cargoes be carried in U.S.-flag ships, it was the result of nearly a decade of ceaseless, persistent fighting by the maritime Unions, spearheaded by the Sailors' Union of the Pacific.

An attempt to get such a measure passed goes back to 1947, when President Harry Truman first proposed the original Marshall Plan. At that time, some members of Congress wanted to restrict the U.S.

Merchant Marine, already feeling the effects of the post-World War II slump in shipping, to a small percentage of the cargo carried under the Marshall Plan

On November 14, 1947, SUP Secretary Harry Lundeberg sent letters to every member of Congress protesting the "suicidal plan" as "absolutely criminal" and demanding instead that instead of the suggested 5% cargoes proposed to be allotted that "these cargoes go in nothing but American bottoms."

It should be noted that the Truman Administration supported the State Department's plan to sell 200 American ships and charter 300 American ships to foreign nations.



HARRY LUNDEBERG

## SUP President's Report

# Food For Peace targeted by Obama Administration

*Maritime industry, agricultural interests, members of Congress mobilize to defend program essential to American interests*

The Obama Administration's Office of Management and Budget (OMB) has floated an idea for the President's proposed 2014 budget that would have a severe impact on the U.S. Merchant Marine by not funding Title II of the Food for Peace (Public Law 480) program and instead sending cash to those nations who currently receive food aid from the United States so the commodities can be bought locally— an absurd concept that is not in the national interest.

Title II of PL 480 is the largest and most successful international food aid program in the world. Every Administration, both Republican and Democrat, has strongly supported Food for Peace since its inception in 1954. The fight to enact P.L. 480 was spearheaded by the Sailors' Union of the Pacific under the leadership of former Secretary Harry Lundeberg.

Millions of people around the world currently need Food for Peace and the program has fed approximately three billion people in more than 150 countries since 1954.

Food for Peace is not just a food donation program— it helps starving people learn to feed themselves and end the cycle of hunger through sustainable development programs.

### The Need for Food for Peace is Greater than Ever

According to the U.N. Food and Agriculture Organization, the number of hungry people around the world has increased to 925 million people from 833 million at the end of 2002, and the U.S. Department of Agriculture's Economic Research Service estimates that 12 million metric tons of commodities are needed each year to meet hunger needs overseas.

Food for Peace has served an essential role in the past helping to stabilize countries, support U.S. foreign policy, and build trade in countries like India, Poland, Romania and Libya.

Life-sustaining food in bags marked as gifts "From the American People" and bearing the U.S. flag are important symbols of our nation's concern and generosity to recipients, helping fight anti-American sentiment and quell terrorist breeding grounds.

### Cutting Food for Peace is bad for American Jobs

Food for Peace is unique among foreign aid programs because it is an important source of jobs for American farmers, shippers, processors, port workers, and merchant mariners, providing employment for over 33,000 Americans in the transportation sector alone.

The transportation and processing of Food for Peace cargoes, without considering farm impacts, supports \$1.9 billion in economic output for U.S. industries and \$523 million in household earnings.

According to the U.S. Transportation Command, food aid cargoes are essential to maintaining the commercial U.S. Merchant Marine that provides our military with the necessary sealift capacity. Without the ability to rely on this commercial partnership, the Defense Department would incur billions in additional costs to meet sealift readiness requirements.

The Sailors' Union has joined with the rest of the U.S.-flag maritime industry, representatives of America's agricultural interests and members of Congress in calling on the Obama Administration to protect maritime and farming jobs by continuing to fund the Food for Peace program.

As the membership will recall (see the July 2012 *West Coast Sailors*), a provision was added to the highway bill (H.R. 4348) that slashed the statutory U.S.-flag share of international food aid cargo from 75% to 50%. Legislation was introduced last year (The Saving Essential American Sailors Act) by Congressmen Elijah Cummings (D-Maryland) and Jeff Landry (R-Louisiana) to repeal the onerous provision in the bill but the legislation never got a hearing or a vote in the Republican controlled House of Representatives. Now we have a Democrat in the White House that reportedly wants to defund the program completely!

In a letter addressed to President Obama dated February 20, 2013, a bipartisan group of 21 U.S. Senators: Roy Blunt (R-Missouri), John Boozman (R-Arkansas), Sherrod Brown (D-Ohio), Thad Cochran (R-Mississippi), Al Franken (D-Minnesota), Tom Harkin (D-Iowa), John Hoeven (R-North Dakota), Mike Johanns (R-Nebraska), Tim Johnson (D-South Dakota), Mary Landrieu (D-Louisiana), Frank Lautenberg (D-New Jersey), Barbara Mikulski (D-Maryland), Jerry Moran (K-Kansas), Mark Pryor (D-Arkansas), Pat Roberts (R-Kansas), Brian Schatz (D-Hawaii), Charles Schumer (D-New York), Debbie Stabenow (D-Michigan), David Vitter (R-Louisiana), Roger Wicker (R-Mississippi), and Ron Wyden (D-Oregon) requested that the administration maintain funding for the Food for Peace (PL 480) program in the fiscal year 2014 budget proposal.

**"We write to request that you maintain funding for the U.S. Department of Agriculture (USDA) Food for Peace Program, also known as Public Law 480, in your Fiscal Year 2014 budget request to Congress. As you know, Title II**

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



continued on page 2

continued on page 10

# SUP Honor Roll

Voluntary contributions from the membership to the following funds:

Organization/ General Fund	Political Fund
Paul Davis . . . . .30.00	Rick Cogswell . . . . .10.00
Justin Foster.. . . .20.00	Robin Colonas.. . . . 50.00
John Linderman in lieu of dues increase . . . . .100.00	Isagani Cruz.. . . . 20.00
Clifford Matican. . . . .30.00	Ramon Duran . . . . . 50.00
Rick Pangan in lieu of dues increase . . . . .50.00	Mike ElMobdy. . . . . 20.00
Frank Portanier in lieu of dues increase . . . . .50.00	Justin Foster.. . . . 20.00
William Sullivan. . . . .10.00	Juan Gonzalez.. . . . 20.00
Roger Tupas . . . . .20.00	Walter Harris . . . . .10.00
	Leszek Jeziorski.. . . . 100.00
	Monte Kalama . . . . . 50.00
	Jerry Komoto . . . . . 50.00
	Gunnar Lundeberg . . . . . 50.00
	Juan Magana. . . . . 1,000
	Brian McCarthy . . . . . 25.00
	Harry Naeole. . . . . 20.00
	David Partikian in memory of Joe Marusak . . . . . 100.00
	Napoleon Ramon . . . . .10.00
	Knud Rasmussen . . . . . 25.00
	Philip Romei.. . . . 100.00
	Raymond Tauai . . . . . 25.00
	Wil Williamson . . . . . 100.00
	Dan Ycoy.. . . . 20.00

## West Coast Sailors

Melvin Armon.. . . . 25.00
Martin Bellhouse . . . . . 25.00
George Boyeas.. . . . 25.00
Thor Erikson. . . . . 50.00
Joe McShane . . . . . 100.00
Dimitri Seleznev . . . . . 25.00

## Dues-Paying Pensioners

Gordon Abbott	Book #3785	James K. Larsen	Book #4055
Robert Copeland	Book #4763	Duane Nash	Book #2437
Donald Cushing	Book #4777	John Perez	Book #3810
Romaine Dudley	Book #2593	Alex Romo	Book #3193
Diane Ferrari	Book #2251	Francisco Salvatierra	Book #7498
Knud Jensen	Book #3940	James Savage	Book #7488
John Jewett	Book #4291	Ralph Senter	Book #7323
Kaj E. Kristensen	Book #3120	David Shands	Book #7483
Hannu Kurppa	Book #3162		

# SUP's 128th Anniversary

continued from page 1

Secretary Lundeberg appeared before the Senate Foreign Relations Committee arguing that the Congress eliminate the ship transfers and that at least 50% of the cargo shipped under Marshal Plan be carried in American ships. Congress agreed, but a continuous battle in connection with each foreign aid bill, separate from the Marshall Plan, continued up to 1954.

In 1948, the Economic Cooperation Administration wanted to back-track on the 50% of Marshal Plan cargoes. In 1949, the SUP again led the fight for 50% of all foreign aid cargoes and was successful.

After the election in 1952, Secretary Lundeberg met with President Eisenhower on cargo preference for U.S.-flag vessels carrying foreign aid cargo. Eisenhower agreed and signed a bill to make the 50% provision permanent. This was modified in 2009 to increase the percentage for food aid exports to 75%, but this percentage was knocked down to 50% with the passage of the highway bill last year.

The SUP is again in the thick of it: to maintain food aid cargo preference for U.S.-flag ships, opposing the defunding of the Food for Peace program and restoring the 75% quota for foreign aid cargoes.

## Neptune Orient ends 2012 in the red after fourth quarter loss

Singapore-based Neptune Orient Lines (NOL), the parent company of APL, reported a fourth quarter Earnings Before Interest and Taxes (EBIT) loss of \$69 million, a 75% improvement from a year ago.

For all of 2012, NOL posted a net loss of \$419 million, mostly due to a first quarter net loss of \$255 million and one-time charges of \$108 million, according to the company.

The company also said that its efficiency program delivered \$504 million of cost savings, in line with their yearly target. The savings were primarily achieved through reduced fuel consumption, network optimization and increased terminal productivity.

"General market conditions in 2012 remained challenging. But thanks to our focus on increasing efficiencies throughout the Group, we are in a better competitive position than before," said NOL Group CEO Ng Yat Chung. "We have improved our cost base, renewed our fleet and expanded our logistics business. We are starting 2013 on a stronger footing than a year before."

NOL said 2012 revenues increased 3% compared to the previous year to \$9.5 billion. NOL's supply chain management business, APL Logistics, reported record revenues of \$1.6 billion.

## U.S. again eases Iran oil import penalties

U.S. sanctions against Iranian oil imports have again been eased for Japan and 10 European Union (EU) countries. The sanction exemptions, which were first issued to the 11 countries by the State Department in March 2012, were renewed based on "significant reductions" in Iranian crude imports, Secretary of State John Kerry said. Belgium, the Czech Republic, France, Germany, Greece, Italy, Netherlands, Poland, Spain and the United Kingdom all joined Japan in qualifying for the exemption renewal because they have not purchased Iranian oil since July 1, 2012, Kerry said. As a result, the exemptions will apply to financial institutions based in these countries for a potentially renewable period of 180 days.

The import penalties are meant to cripple Iran financially and thus hamper Tehran's ability to pursue nuclear weapons. However, the curbs have been particularly hard on Japan, which has been more reliant on fossil fuels since the March 2011 Fukushima disaster.

## SUP Meetings

These are the dates for the regularly scheduled SUP meetings in 2013:

	Hdq.	Branch
April	8	15
May	13	20
June	10	17
July	8	15
August	12	19
September	9	16
October	Tues. 15	21
November	Tues. 12	18
December	9	16

## Final Departures

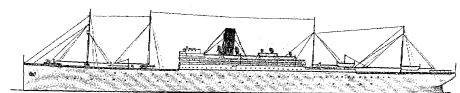
**Beryle Franklin**, Book No. 2186. Born in California in 1926. Joined SUP in 1945. Died November 16, 2012. (Pensioner)

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

**Sven Ottersten**, Book No. 2249. Born in Sweden in 1920. Joined SUP in 1944. Died in Portland, Oregon, February 9, 2013. (Pensioner)

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

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



S.S. MOROCCO - 1950

## Timely Reminder Second quarter 2013 dues are due and payable now!

### SUP Constitution ARTICLE VI

#### DUES AND INITIATION FEE

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

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

## Membership and Ratings Committee

Met on March 7, 2013, and found the following members eligible for advancement in seniority and rating stamps in the various departments:

Name and Membership Number	Seitime	Rating	Seniority
Tonci Jaram	19323	1 Year	A.B. B
Wendy Joseph	19325	1 Year	A.B. B
Ceferino Galeon	C-2382	30 Days	A.B. C
James Doyle	C-2383	30 Days	O.S. C
Ira Bing	C-2384	30 Days	O.S. C
Mat Frazier	C-2385	30 Days	A.B. C
Timothy Chaland	C-2386	30 Days	A.B. C

Rating Stamps - Marc Cris Calairo #4819 Bosun Stamp

Membership and Ratings Committee's Report - M/S to concur in the Committee's report. Carried unanimously. Membership and Ratings Committee: Romaine Dudley #2592, David Larsen #19078 and Marc Cris Calairo #4819.

## West Coast Sailors

Published monthly by the Sailors Union of the Pacific (an affiliate of the Seafarers International Union of North America, AFL-CIO), Headquarters, 450 Harrison St., San Francisco, CA 94105. Phone: 415-777-3400. FAX: 415-777-5088. Dispatcher: 415-777-3616. Website: www.sailors.org. Periodicals postage paid at San Francisco. (USPS 675-180). Printed by Commerce Printing Co., a Union shop. POSTMASTER: Send address changes to West Coast Sailors, 450 Harrison St., San Francisco, CA 94105.

**Gunnar Lundeberg,**  
President/Secretary-Treasurer  
**Teresa Anibale, Editor**  
**BRANCH OFFICES**  
**Seattle, WA 98199**  
4269 22nd Ave. W. (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., Rm. 101 (808) 533-2777  
FAX: (808) 533-2778  
**WELFARE OFFICE**  
(415) 778-5490  
**PENSION PLAN OFFICE**  
(415) 764-4987

# Food for Peace must be maintained says broad-based national coalition

February 21, 2013

President Barack H. Obama

The White House

1600 Pennsylvania Avenue NW

Washington, D.C. 20500

Dear Mr. President:

The undersigned organizations support sustained funding for the Food for Peace (PL 480) and Food for Progress international food assistance programs and strongly oppose proposals to eliminate or drastically reduce program funding or to shift these resources to overseas commodity procurement. Food aid programs have enjoyed strong bipartisan support for nearly 60 years because they work. Our country has the largest and most diverse, reliable, and effective food assistance program in the world. Food for Peace and Food for Progress form the backbone of those efforts.

Under both programs, there are well-honed and dependable systems for identifying the appropriate commodities for targeted populations and for procuring and shipping these commodities. These systems include prepositioning food where emergencies are most likely to occur and diverting cargoes on the high seas when an urgent need arises. The transparency, accountability, and reliability of this system are the result of decades of cooperation through a uniquely sustainable public-private partnership among thousands of committed Americans at faith-based and other non-governmental organizations, and in agriculture, labor, industry and government.

Growing, manufacturing, bagging, shipping, and transporting nutritious U.S. food creates jobs and economic activity here at home, provides support for our U.S. Merchant Marine, essential to our national defense sealift capability, and sustains a robust domestic constituency for these programs not easily replicated in alternative foreign aid programs. Overseas, Food for Peace has a strong track record of reducing child malnutrition and increasing incomes and food supplies for very poor and vulnerable populations. Food for Progress expands business and income opportunities along the agriculture value chain and improves the quality and quantity of food supplies. Both of those programs are proven models for addressing global food insecurity.

In addition to fighting global hunger and facilitating developmental programs to end the cycle of hunger, these programs are also some of our most effective, lowest-cost national security tools. Bags of U.S.-grown food bearing the U.S. flag and stamped as "From the American People" serve as ambassadors of our Nation's goodwill, which can help to address the root causes of instability. In a time of growing global food insecurity and extremism, these programs need to be expanded, not eliminated.

We therefore oppose shifting resources to overseas commodity procurement and strongly encourage you to sustain funding for the Food for Peace and Food for Progress programs, preserving the unique aspects of these programs that have made them the world's most successful, most dependable humanitarian assistance programs.

Sincerely yours,

Adventist Development & Relief Agency International  
Alliance for Global Food Security  
America Cargo Transport Corp.  
American Feed Industry Association  
American Maritime Congress  
American Maritime Officers  
American Maritime Officers' Service  
American Peanut Council  
American Soybean Association  
APL Limited  
BKA Logistics LLC  
California Wheat Commission  
Central Gulf Lines, Inc.  
Congressional Hunger Center  
Counterpart International  
Feed the Children  
Food for the Hungry  
Global Food & Nutrition  
Hapag-Lloyd USA, LLC  
International Organization of Masters, Mates & Pilots  
International Partnership for Human Development  
International Relief & Development  
International Services Corporation  
Joint Aid Management USA  
Lake Charles Harbor and Terminal District  
Land O'Lakes  
Liberty Maritime Corporation  
Maersk Line, Ltd.  
Marine Engineers' Beneficial Association  
Maritime Institute for Research and Industrial Development  
National Association of Wheat Growers  
National Barley Growers Association  
National Corn Growers Association  
National Cotton Council

National Council of Farmer Cooperatives  
National Farmers Union  
National Oilseed Processors Association  
National Potato Council  
National Renderers Association  
National Sorghum Producers  
North American Millers' Association  
OIC International  
Pacific Cargoes Incorporated  
PCI  
Planet Aid, Inc.  
**Sailors' Union of the Pacific**  
Salesian Missions  
Seafarers International Union  
Sealift, Inc.  
Southern United States Trade Association  
TechnoServe, Inc.  
Transportation Institute  
United Maritime Group, LLC  
United Methodist Committee on Relief  
U.S. Dry Bean Council  
U.S. Grains Council  
U.S. Meat Export Federation  
U.S. Overseas Cooperative Development Council  
U.S. Rice Producers Association  
U.S. Wheat Associates  
USA Dry Pea and Lentil Council  
USA Maritime  
USA Rice Federation  
Washington State Potato Commission  
Waterman Steamship Corporation  
Western U.S. Agricultural Trade Association  
Winrock International  
World Vision International  
World Vision U.S.



SUP pensioner Knud Jensen bends a new ensign to the flagpole halyard outside SUP Headquarters in San Francisco with assistance from Arthur Thanash and pensioner Kaj Kristensen on March 11. Photo: Dave Connolly

## Puerto Rico seeks Jones Act exemption

The new administration of Governor Alejandro Garcia Padilla indicated earlier this month that they would seek a full Jones Act exemption for the Commonwealth of Puerto Rico as recommended last year in a report by the Federal Reserve Bank of New York.

The five-year Jones Act moratorium for Puerto Rico proposed by the New York Fed and endorsed by the Padilla Administration would be modeled after the exemption for the Virgin Islands of the United States since their annexation on March 31, 1817 and subsequently exempted from cabotage by Section 21 of the Merchant Marine Act of 1920 (the Jones Act).

If such a temporary exemption from the Jones Act and related cabotage laws were to be enacted by the U.S. Congress for Puerto Rico, it would in all likelihood result in a permanent exemption, as it would be very difficult to re-extend cabotage laws to the Puerto Rico trade as conditions would have changed so substantially after the five-year period. It is very likely that, after such an exemption were to come into effect, the domestic trade between the contiguous United States and Puerto Rico would come to be dominated by new entrant international carriers operating foreign-flag ships completely displacing the incumbent Jones Act operators.

The federal Government Accountability Office (GAO) should release before the end of March 2013 their report on the economic impact of the Jones Act on Puerto Rico. However, the GAO report is expected to focus on the U.S.-built requirement of the Jones Act and not recommend a full exemption from the Jones Act for Puerto Rico.

Another alternative, the Padilla Administration might support, is the Hawai'i Shippers' Council's noncontiguous trades -Alaska, Guam, Hawai'i and Puerto Rico- Jones Act reform proposal. In a nutshell, the proposed "reform" would exempt the noncontiguous domestic shipping trades from the U.S.-build requirement of the Jones Act for deep draft self-propelled ships. It does not propose to change the other Jones Act requirements in respect of the noncontiguous trades, i.e. that vessels must be U.S.-flag, U.S.-owned and U.S.-crewed.

**SUPPORT THE  
SUP POLITICAL FUND**

## Improvement projects at Kawaihae Harbor begin

The Harbors Division of the Hawai'i Department of Transportation (DOT) has started work on a \$7 million harbor terminal improvement project at Kawaihae Harbor, as part of Hawai'i Governor Neil Abercrombie's "New Day Work" Projects. The project is expected to be completed sometime in first half of 2014.

Located on the west coast of the Big Island of Hawai'i, about 50 miles from Hilo, the port received 746,643 tons of mostly containerized general cargo in FY 2010-2011.

"For the past 10 years, Kawaihae Harbor has experienced steady growth; these much needed improvements will ensure safe and efficient cargo operations into West Hawaii now and in the future," said state DOT Director Glenn Okimoto during the groundbreaking ceremony.

"Kawaihae Harbor is a vital hub for the resorts, businesses, and residents along Hawaii's west coast."

The project includes paving 3.1 acres of land adjacent to Pier 2 at the Port. The container yard will be used by shippers to load and store containers. The project also includes associated infrastructure work, such as area lighting, fire protection and drainage.

In addition, an aging harbors division office and comfort station will be demolished, replaced by a new harbor division office trailer to be installed near the South Gate and a new comfort station. The terminal container yard improvements are expected to all the Port increase cargo handling capacity by approximately 11%.

## Guam port improvement project commences

A \$50 million construction project designed to improve the Port of Guam started in February. The project is administered by the Maritime Administration (MarAd) of the Department of Transportation on behalf of the Department of Defense (DOD). The port is designated by the DOD as one of a handful of key "strategic" commercial ports across the country.

U.S. House of Representatives Delegate Madeleine Bordallo (D-Guam) called the project, "yet another demonstration of the Obama Administration's continued support and focus on the re-balance of forces in the Pacific and to ensuring that Guam's infrastructure requirements are supported. It during a January 29 groundbreaking ceremony.

"The federal to territory partnership between the Port and MarAd has and will continue to be beneficial to the people of Guam. It continued Bordallo. "Building off this partnership will be helpful in the ports future modernization efforts."

The port improvement project will add ten acres to the container and break bulk yards and reconfigure the port and the entrance gate for more rapid, efficient and secure freight movements. The construction work is scheduled to last two years. Along with other ongoing investments, the port modernization will meet the needs of an expanding military presence on Guam, as well as the island's commercial growth.

## Somali pirates free Greek tanker

Somali pirates have released a Greek-owned oil tanker and its 26 crew members who were seized 10 months ago in the Arabian Sea, the vessel's owner, Dynacom Tankers Management said on March 11.

The *MT Smyrni*, which was carrying one million barrels of crude, was hijacked last May off the Gulf Arab state of Oman. Pirates said they released the vessel after receiving ransom. "We took \$9.5 million in ransom money and got off from the crude tanker on March 8," said Isse Abdulahi, who is understood to be one of four pirates who financed the hijacking operation.

The company declined to comment on the ransom claim. It said in a statement that all of the crew members were safe and that the vessel was sailing to a port of refuge.

The hijacking of the *MT Smyrni*, which was sailing to Indonesia at the time, was one of the last successful attacks on a large oil tanker by Somali pirates in the Horn of Africa region. The number of successful pirate attacks has dropped as international navies have stepped up patrols to protect marine traffic in the area and have struck at pirate bases along the Somali coast. Shipping firms have also increasingly deployed armed guards and laid out razor wire on their vessels to deter attacks.

## Singapore sounds marine safety warning

Singapore on March 15, issued a "safe navigation" warning to ships calling there after a series of collisions. The Maritime & Port Authority of Singapore said in a circular that masters and watchkeeping officers are reminded to "fully comply" with the International Regulations for Preventing Collisions at Sea 1972 to ensure safety of navigation. Further, the authority is reminding masters and watchkeeping officers "of the importance of keeping proper lookouts and proceeding at safe speeds when navigating. "They are also reminded to conduct master/pilot exchange of information and passage plan for the safe conduct of vessel movement," it added.

The circular follows a spate of casualties in the Singapore Strait this month. The offshore supply tug *Highland Guide* collided with the 158,795 dwt crude tanker *Maran Plato* on March 14, with no injuries reported.

Also, harbor craft collided with the container ship *Bosun* on March 13, with one mariner killed; on March 9, coaster *Budi Jasa 18* collided with the 196 gt passenger ferry *Sea Hawk*, leaving one mariner still listed missing and eight passengers injured; finally, on March 2, the Marshall Islands-registered bulk carrier *Beks Halil* collided with the Vietnamese-registered cargo vessel *Thuan My* about 1.8 nautical miles south of Sisters Island, with no injuries reported.

## Singapore leads the world in container volumes in January and February

Singapore has temporarily taken the crown of world's busiest port from Shanghai, having handled slightly more containers during the first two months of this year. Government data showed that box volumes in Singapore reached nearly five million teu in the two months, up 2.1% from the year-ago period.

Shanghai handled 4.9 million teu of containers in the same period, showing a 2.5% year-on-year gain, according to Shanghai International Port Group, the port operator. The results were likely to have been heavily skewed by the lunar new year holidays in mid-February, when many Chinese factories were shut but Southeast Asian ones remained open.

Singapore also saw more container volumes in January-February 2012, than Shanghai did, but the Chinese giant gradually fought back and handled 879,600 teu more for the whole of last year.

Among other major hubs in Asia, Shenzhen recorded a 6% year-on-year gain to 3.5 million teu in the two months, industry group Shenzhen Ports Association said. However, container volumes in Hong Kong fell 4.3% to slightly below 3.5 million teu during the period, according to government data.

## Researchers say crystal found at bottom of English Channel may be a fabled sunstone

A rough, whitish block recovered from an Elizabethan shipwreck may be a sunstone, the fabled crystal believed by some to have helped Vikings and other medieval seafarers navigate the high seas, researchers say.

In a paper published this month, a Franco-British group argued that the Alderney Crystal — a chunk of Icelandic calcite found amid a 16th century wreck at the bottom of the English Channel — worked as a kind of solar compass, allowing sailors to determine the position of the sun even when it was hidden by heavy cloud, masked by fog, or below the horizon.

That's because of a property known as birefringence, which splits light beams in a way that can reveal the direction of their source with a high degree of accuracy. Vikings may not have grasped the physics behind the phenomenon, but that wouldn't present a problem.

"You don't have to understand how it works," said Albert Le Floch, of the University in Rennes in western France. "Using it is basically easy."

Vikings were expert navigators — using the sun, stars, mountains and even migratory whales to help guide them across the sea — but some have wondered at their ability to travel the long stretches of open water between Greenland, Iceland, and Newfoundland in modern-day Canada.

Le Floch is one of several who've suggested that calcite crystals were used as navigational aids for long summer days in which the sun might be hidden behind the clouds. He said the use of such crystals may have persisted into the 16th century, by which time magnetic compasses were widely used but often malfunctioned.

Le Floch noted that one Icelandic legend — the Saga of St. Olaf — appears to refer to such a crystal when it says that Olaf used a "sunstone" to verify the position of the sun on a snowy day.

But that's it. Few other medieval references to sunstones have been found, and no such crystals have ever been recovered from Viking tombs or ships. Until the Alderney Crystal was recovered in 2002, there had been little if any hard evidence to back the theory.

Many specialists are still skeptical. Donna Heddle, the director of the Center for Nordic Studies at Scotland's University of the Highlands and Islands, described the solar compass hypothesis as speculative.

"There's no solid evidence that that device was used by Norse navigators," she said Friday. "There's never been one found in a Viking boat. One cannot help but feel that if there were such things they would be found in graves."

She acknowledged that the crystal came from Iceland and was found near a navigation tool, but said it might just as easily have been used as a magnifying device as a solar compass.

Le Floch argued that one of the reasons why no stones have been found before is that calcite degrades quickly — it's vulnerable to acid, sea salts, and to heat. The Alderney Crystal was originally transparent, but the sea water had turned it a milky white.

## LA reports double-digit growth for February

The Port of Los Angeles saw February container volumes grow 17% to 615,000 teu over the same month last year. For the first two months of 2013, overall container volumes increased 4.9% to 1.3 million teu at the top U.S. container gateway.

The February increase at Los Angeles was due in part to a surge in imports prior to the closure of factories for the Chinese lunar new year holidays.

Imports jumped 25.2% to 318,500 teu in February, while exports dropped 4.9% to 156,700 teu. Combined, total loaded imports and exports for February increased 13.4% to 475,200 teu. Empties increased 31% year-over-year.

## Nautical terms in everyday speech

### Deep Six... (to get rid of)

To deep six is a sailor's expression for throwing something overboard. The "six" refers to the 6-foot nautical fathom, the standard unit of measurement for sea depth. In contemporary usage ashore, the phrase now means to kill something, or to send it to the bottom, as in "deep sixing" a request for funds.

# Administration to dismantle U.S. Merchant Marine?

## Reduction in cargo preference just the first step

by Tony Munoz, Editor, *the Maritime Executive*

February 27, 2013

As the administration and Congress continue to batter the American psyche with doomsday terms like “debt ceiling,” “fiscal cliff” and “sequestration,” the White House Office of Management and Budget (OMB) has been busy behind the scenes dismantling the U.S. Merchant Marine. After funding a decade of war and bailing out Wall Street and the banks, a gridlocked and dysfunctional government’s only answer to deficit reduction appears to be the shutdown of basic services for its citizens and the gradual elimination of funding for the U.S. Merchant Marine (USMM).

The USMM has served the United States for more than two hundred years and has supported U.S. military operations around the world during every conflict this nation has been involved with. But, to no one’s surprise, the White House seems intent on ceasing operations of the USMM. Since taking office, the administration has provided more Jones Act waivers than any other administration and, just a few months ago, it hacked the USMM’s percentage of cargo preference shipments of food aid from 75% to 50% before any one even knew what hit them. Now it intends to write the final chapter of the USMM with the scribble of a pen on another backroom deal.

President Obama and DOT Secretary LaHood have never recognized the maritime sector as part of the U.S. infrastructure. They provided MarAd with \$433 million while providing air, truck and rail an additional \$495 billion to rebuild their systems. Furthermore, the administration ensured that America’s Marine Highway would be tabled until 2017 or at least pushed back to the next administration.

As part of its deficit reduction plan, the White House wants to send money to starving nations under a new food aid scheme, which includes NGOs (Non-Governmental Organizations) overseeing the program. OXFAM America, an NGO currently campaigning on Capitol Hill to cease buying food from American farmers and end cargo preference laws for U.S. flag operators, received \$78 million in revenues and spent \$28 million in organizational salaries in 2011.

OXFAM’s IRS report says its mission is to create lasting solutions to poverty, hunger and injustice with local groups in more than 90 nations, which includes giving them cash to buy food. And the NGO says it is campaigning for social justice by participating in meaningful discussions about issues affecting indigenous peoples’ families, livelihood and land. Additionally, OXFAM advocates investment in small-scale food producers and modernization of food aid programs as part of its campaign.

USAID (U.S. Agency for International Development) reports distribution of more than \$2.3 billion in food to starving nations such as Pakistan. For more than 60 years, the U.S. has been providing aid to Pakistan, and in 2011 the country got another \$1.5 billion in aid. And yet its people are starving? Egypt is another boondoggle for disappearing U.S. aid funds. It is estimated that almost \$19 billion has disappeared due to corruption. Egypt has 80 million people and is the largest food importer in the world. The Egyptian government, which gets \$1.3 billion in annual credits from the U.S., only gives cheap bread to its poor.

Countries like Sudan, Kenya, Uganda, Nigeria, Ethiopia and Colombia have been getting money in aid from the U.S., yet these countries have the most starving people in the world. When NGOs claim more than 25,000 tons of food aid reached the Haitian people almost instantly after the earthquake, they forget to mention the U.S. maritime sector delivered the vast majority of the tonnage.

Ending food aid by sending money and NGOs overseas to ensure that people are fed is another problem in itself. Since the U.S. began sending money to foreign governments to ensure democracy endures and its people are fed, it just hasn’t worked.

Buying food from U.S. farmers and transporting it under cargo preference laws may not be the most effective program, but it’s a lot better than sending cash to countries to buy food locally. Most of these nations’ farmers cannot produce enough food in the first place, so what is going to change in the future? The cash will be used for other purposes, and everyone will suffer.

The USMM is an institution with a long heritage and a vital role to play in America’s economic well-being and military readiness. To put an end to it because special interests believe money is faster and safer in order to feed the starving is a big mistake. The White House needs to reconsider its budgetary plans and keep American jobs where they belong – in America.

## New Oz cabotage laws assailed down under

Australia’s new cabotage laws reduces competition and increases freight costs, the Australian Logistics Council (ALC) has said. In his opening address in Melbourne this month, to the ALC annual forum, its chairman Don Telford said Australia went from having one of the world’s more “liberal” cabotage regimes to one of the most restrictive. “Liberal” means no cabotage laws such as the U.S. Jones Act.

The new policy “reduces competition in the Australian domestic sea freight market with inevitable higher prices for small business and consumers”, warned Telford, whose speech followed a February ALC release urging a review of coastal shipping and removal of curbs on international vessels in domestic trade.

Telford also attacked Unions, the increased incidence of industrial actions and restrictive labor laws.

However, the Maritime Union of Australia reacted by fiercely defending shipping reform. “Australia needs an open, straightforward debate about the future of shipping,” national secretary Paddy Crumlin said. “ALC has trafficked in arguments that have either no basis in fact or are inconsistent, which does not serve the national interest.”



Bosun Thor Erikson and SUP delegate Anton Seravaseiyar in the crew lounge of the Oregon Voyager on February 21, at the Richmond Long Wharf. Photo: Dave Connolly

# Vice Admiral Herberger: Jones Act not responsible for spike in fuel prices

by Albert J. Herberger

March 8, 2013

Most drivers are feeling the effect of the rising cost of gasoline. According to official reports, the average price for a gallon of regular gasoline in America is \$3.73 — an increase of more than 13% during the past month. However, there are critics who have tried to take advantage of this fact and falsely accuse the Jones Act of causing pain at the pump.

The Jones Act is a long-standing U.S. maritime law that mandates the use of vessels that are American-crewed, -built and -owned to move cargo between two U.S. ports. The law is critical for American economic, national and homeland security, which is why it has enjoyed the support of the U.S. Navy, many members of Congress of both parties, and every president in modern history.

It doesn’t make sense to blame the American shipping industry in general, and the Jones Act in particular, for the spike in gasoline prices. The cost of shipping does not affect the price at the pump — the global market does.

The overwhelming factor in the price of gasoline at the pump is the price of its main raw material — crude oil, the price of which is set in the global marketplace. The cost of crude accounts for about two-thirds of the price of gasoline. Data from the American Petroleum Institute show the price of crude oil has spiked over the past several months, which has led to the spike in gasoline prices.

The simple economic law of supply and demand also affects the price at the pump. The reason for the spike in crude oil prices is complicated, of course, but most experts believe an improving economy and demand in China has also driven the crude spike.

According to the Energy Information Administration, other factors also affect the price at the pump, including the value of the dollar, state and local taxes, geopolitical issues, decisions by OPEC, inflation and weather. The cost of transportation within the United States, however, is so insignificant as to have no effect on the price to consumers at the pump.

While there are those who try to take advantage of the rising cost of gasoline, the Jones Act has proved efficient and has made significant contributions to the U.S. economy. Today, the maritime industry is the most economical and environmentally friendly form of domestic transportation, moving more than one billion tons of cargo annually at a fraction of the cost of other modes. It is no wonder that the domestic fleet governed by the Jones Act moves a quarter of the nation’s freight for just 2% of the national freight bill.

And despite false claims by critics, there is ample capacity in the U.S.-flag fleet to address changes in petroleum product markets as a result of Northeast refinery closures. A large American tank vessel fleet of modern and highly sophisticated vessels exists in this country to move petroleum products from the Gulf of Mexico to the Northeast.

It is our hope that the gasoline prices come down as soon as possible. The U.S.-flag fleet stands ready to continue transporting fuel efficiently and effectively to meet America’s energy needs.

*Albert J. Herberger was the administrator of the U.S. Maritime Administration from 1993 to 1997. He is a retired U.S. Navy vice admiral who served in Vietnam and has been awarded the Navy Distinguished Service Medal, the Bronze Star, the Legion of Merit and the Department of Defense Medal for Distinguished Service.*

## U.S. places sanctions on Iranian firms that insure oil shipments

The Obama Administration has imposed sanctions on Iranian companies it says provide insurance services to the country's main petroleum shipper, part of the latest U.S. effort to choke funding to the Iran's disputed nuclear program.

The State Department said on March 14, it had imposed sanctions on Kish Protection and Indemnity Club, known as Kish P&I, and Bimeh Markazi-Central Insurance of Iran, known as CII. Kish provides insurance for the National Iranian Tanker Co, or NITC, and CII provides the shipper with reinsurance, it said. The Iranian companies had been modeled after European P&I clubs which had been banned by Western sanctions imposed last year. The department also placed a visa ban on six corporate officers with the companies.

The measures were part of moves in which the State Department and the U.S. Treasury slapped sanctions on a Greek shipping tycoon, saying he secretly operated a shipping network on behalf of Tehran to get around sanctions on the country's oil sales. (See related article on this page.)

Countries in the West believe Iran's nuclear program is developing weapons. Tehran says the program is purely for civilian purposes.

U.S. and European Union sanctions imposed last year halved Iran's oil exports to about one million barrels per day. The sanctions also helped push down Iran's currency, the rial, and sent inflation soaring to about 25%. A proponent of tough measures on Iran said the sanctions on Iranian insurance companies are making it hard for Tehran to sell oil. "These measures have so increased the hassle factor of buying Iranian oil that they are leading countries like India to make decisions in their self interest to significantly decrease their purchases of Iranian oil," said Mark Dubowitz, with the Washington based Foundation for Defense of Democracies.

On March 13, lawmakers in Congress urged the administration to crack down on the reflagging of ships that carry Iranian oil to avoid sanctions. "We are concerned that Iran has been able to continue its illicit shipping endeavors through its complex web of vessels reflagging. It troubles us that Iran has been aided by countries whose shipping registries are frequently complicit in this shell game," said the letter on behalf of 56 U.S. Representatives, 18 of them Democrats. The letter was signed by Ed Royce of California, the Republican chairman of the House Foreign Affairs Committee, and Debbie Wasserman Schultz (D-Florida).

They urged the departments of State and Treasury to seriously consider sanctioning registries that knowingly participate in efforts to reflag oil tankers and cargo tankers operated by NITC and the Islamic Republic of Iran Shipping Line, or IRISL.

The letter also urged the Treasury Department to review three vessels to determine whether they should be added to its list of blacklisted ships. The letter named the ships as the *Tour 2*, *The Justice*, and the *Elegance*.

## Greek shipper blacklisted for assistance to Iran

The U.S. government said it is imposing punitive sanctions on a Greek businessman who allegedly used Iranian money to buy oil tankers to help Iran ship crude oil in violation of U.S. and European Union sanctions.

Dimitris Cambis used money provided by Iranian front companies to purchase eight old oil tankers that were covertly filled with Iranian oil for shipment overseas, according to the departments of Treasury and States. Cambis denied the accusations.

The sanctions were a relatively rare public castigation of a private businessman. "Pretending to work on behalf of his own company, Impire Shipping, Cambis recently purchased eight very large crude carrier oil tankers, all the while secretly working on behalf of" the National Iranian Tanker Co., a senior Obama administration official said.

The Greek-owned ships loaded Iranian crude at sea in ship-to-ship transfers to disguise the origin of the oil, official alleged. The U.S. didn't disclose the total amount of oil allegedly shipped by Cambis's companies. Each tanker was capable of carrying as much as \$200 million worth of crude.

The Treasury Department imposed sanctions against Cambis, the eight holding companies that own the tankers, and the eight vessels themselves. Concurrently, the State Department placed visa restrictions on Cambis and senior executives at Impire Shipping, barring them from travel to the United States.

Cambis denied that his ships have been used in any way to transport Iranian oil or that the vessels have any connection with National Iranian Tanker Co. "Nobody has asked me for any information on what exactly we transport," he said. "I believe that this is a ridiculous conclusion without giving us the opportunity to disclose the relevant information."

He added that U.S. officials may have been misguided because of his company's involvement in Iranian natural gas. "We have an exclusive distribution agreement with Iran on gas, which is done via pipelines," he said. "None of my ships have anything to do with transporting of Iranian oil."

The U.S. sanctions campaign is part of a Washington's effort to pressure Iran to subject its nuclear program to international scrutiny. The U.S. estimates that sanctions—including punitive measures imposed by the EU—have severely dented Iran's ability to export oil and have cost the Iranian government about \$3 billion a month in revenues.

Iran says that its nuclear development is for peaceful purposes. A spokesman for the Iranian mission to the United Nations didn't respond to requests for comment.

According to publicly available shipping information, seven of the eight tankers in question visited China on their last port calls. All seven were homebound for the United Arab Emirates, where Cambis's shipping operations are based. One vessel was last reported in the Indian Ocean headed to Singapore.

# Reforms to Strengthen U.S. Maritime Cargo Preference Laws

*The following policy statement was adopted by the Transportation Trades Department (TTD), AFL-CIO Executive Committee in February. SUP President Gunnar Lundberg is a member of the Executive Committee.*

U.S. government policy has long recognized the importance of a strong U.S. merchant marine to our national economy and global defense network. These policies and laws reflect the changing dynamics of the global maritime system, and are designed to promote the health and viability of a privately owned U.S.-flag fleet and the maintenance of a trained U.S. mariner workforce capable of meeting the U.S. government's sealift objectives. Most of this will be at risk if we fail to advance a sensible federal maritime policy.

The U.S.-flag fleet plays an important role in our national security, serving as a naval auxiliary in time of war or national emergency, in addition to being an economic engine capable of moving goods to and from our nation's shores. U.S.-flag ships have delivered the majority of the material to Operation Enduring Freedom/Operation Iraqi Freedom, and since 2009, U.S.-flag vessels have moved more than 90% of all the cargoes to Afghanistan and Iraq supporting U.S. and coalition forces. The success of our maritime policies is as important today as ever due to the fiscal constraints facing the U.S. and the burdens on our national defense across the globe.

Cargo preference statutes and other U.S.-flag shipping requirements are integral to the maintenance of a strong U.S.-flag fleet. These statutes ensure that U.S. Government-generated import and export cargoes move in substantial volume on U.S.-flag vessels. Cargo preference does not apply to the transport of purely private commercial export-import cargoes, but only to the movement of those generated by the U.S. government. While limited in scope, these policies are critically important to maintaining the merchant fleet necessary to meet our national goals. The U.S. is not alone in implementing such policies either, as it is the general practice of other maritime nations to move the vast majority of their government shipments in vessels of their own flag. We must continue to vigorously defend our national maritime interests.

Unfortunately, cargo preference laws have been hampered both by their loose application by federal agencies and recent legislative actions meant to undermine the goals of cargo preference. We oppose language that was inserted into last year's surface reauthorization law (MAP-21) that reduced the application of cargo preference for the Food for Peace program from 75% of government-generated cargo to 50%. This language was inserted in the dead of night, without consulting maritime labor or the U.S. maritime industry, and without even a single congressional hearing on the subject. The loss of cargo for U.S.-flag vessels could result in the loss of good middle class jobs for U.S. mariners and cause more than 16 privately owned ships to fly a foreign flag. The legislation strikes at the core of U.S. cargo preference laws and undermines the U.S.-flag fleet's ability to serve our national economic and security interests.

TTD strongly opposes this legislative action, and will work to prevent any further efforts to undermine U.S. cargo preference laws. In fact, we supported bipartisan legislation introduced in the 112th Congress by Reps. Elijah Cummings (D-MD) and

Jeff Landry (R-LA), the Savings Essential American Sailors Act (H.R. 6170), that would have overturned the language in MAP-21 and restored the cargo preference requirement for Food for Peace cargo to 75%. We look forward to this legislation being introduced in the 113th Congress and will push for its swift passage.

Improvements to U.S. cargo preference laws do not stop in the halls of Congress as the Administration must vigorously enforce the laws throughout our government. In recent years, the applicability of cargo preference requirements to specific federal activities has been called into question. All too frequently federal agencies and departments have implemented them in ways that allow for only minimal compliance, missing an opportunity to further strengthen the U.S. fleet and its workforce.

The Administration's policy should reaffirm a commitment to fully adhere to cargo preference laws, and should give the Maritime Administration—the only federal agency tasked with promoting the U.S.-flag fleet—the resources and authority it needs to implement cargo preference throughout the federal agencies. The cargo preference laws are broadly written and should be broadly applied to federal activities without exception.

To further this goal, the Administration has an opportunity to maximize the use of U.S.-flag vessels. Some cargo preference laws require less than 100% of applicable government-generated cargo to be transported on U.S.-flag vessels, such as the 50% minimum for the international food aid program noted above. In these circumstances the minimum percentage required under law should be viewed as just that: a minimum. The goal for every federal agency should be to maximize their use of U.S.-flag vessels when shipping government-generated cargoes and 100% should be the clear objective.

The Maritime Administration must be given the authority to determine the applicability of cargo preference to various federal agencies. Agencies should work closely with the Maritime Administrator to implement regulations and guidelines necessary for the Administrator to fulfill his or her enforcement authorities granted by law (PL 110-417). Federal agencies should also provide the Administrator the data and statistics related to cargo preference activities in order to develop a pathway forward to maximize the use of U.S.-flag vessels. Finally, the Administrator should have sole responsibility, as provided by law, to issue waivers to cargo preference laws.

These reforms are not radical, nor are they burdensome. They will, however, provide necessary clarification about cargo preference laws, and allow the U.S. government to fulfill these laws in the spirit in which they were written.

The U.S.-flag fleet and its dedicated and highly trained workforce are an extremely important resource for our economic health and national security. In order ensure that the U.S.-fleet remains viable and effective in the global marketplace, cargo preference laws need to be strengthened by Congress and fully adhered to by our government.

## ESU Office Assignments

For the month of April,  
John Straley will be in the  
Seabrook office.

# ESU NEWS

MARCH 2013

Official Publication of the Exxon Seamen's Union

## USCG on Recreational Marijuana

During last November 2012 general elections, some states passed initiatives to permit use of marijuana for so-called "recreational" purposes. Below is a notice released by the director of Office of Drug and Alcohol Policy and Compliance at the DOT (Department of Transportation).

"We have had several inquiries about whether these state initiatives will have an impact upon the Department of Transportation's longstanding regulation about the use of marijuana by safety sensitive transportation employees – pilots, school bus drivers, truck drivers, train engineers, subway operators, aircraft maintenance personnel, transit fire armed security personnel, ship captains, and pipeline emergency response personnel, among others.

We want to make it perfectly clear that the state initiatives will have no bearing on the Department of Transportation's regulated drug testing program. The Department of Transportation's Drug and Alcohol Testing Regulation – 49 CFR Part 40 – does not authorize the use of Schedule I drugs, including marijuana, for any reason.

Therefore, Medical Review Officers (MROs) will not verify a drug test as negative based upon learning that the employee used "recreational marijuana" when states have passed "recreational marijuana" initiatives.

We also firmly reiterate that an MRO will not verify a drug test negative based upon information that a physician recommended that the employee use "medical marijuana" when states have passed "medical marijuana" initiatives.

It is important to note that marijuana remains a drug listed in Schedule I of the Controlled Substances Act. It remains unacceptable for any safety sensitive employee subject to drug testing under the Department of Transportation's drug testing regulations to use marijuana.

We want to assure the traveling public that our transportation system is the safest it can possibly be."

## Mileage reimbursement rate for 2013

As of January 1, 2013, the optional standard mileage rate for all miles of use for business purposes increased to 56.5 cents per mile from 55.5 cents. Reimbursements made using this rate will satisfy IRS accounting requirements and will not be included in the employee's W-2 income or subject to tax withholding.

Mileage reimbursement is intended to cover normal vehicle operation costs including: gas, oil, repairs, tires, registration fees, licenses, depreciation, lease payments, and insurance. Road tolls and parking fees are not included in the standard mileage reimbursement but are reimbursable when incurred during business travel and submitted with receipts.

Under the current Collective Bargaining Agreement unlicensed employees are permitted to use an automobile for business travel and receive reimbursement from the company. Current Contract language states in part, "When an employee uses an automobile as transportation from his/her home to a vessel, to/from a training program, or to/from a meeting, or for other reasons approved by the COMPANY, the employee shall be paid for the actual miles driven for a reasonably direct route at the mileage rate then current for the COMPANY. Actual miles driven shall include round trip mileage when an employee is driven by another person who returns to the employee's home. The COMPANY will also reimburse any tolls actually paid for the trip. In no case will the total payment be greater than the cost of the prevailing coach class airfare as described herein plus ground transportation allowances provided when traveling by air."

## Ship reports

### S/R American Progress

The *Progress* continues to trade between Valdez and the Puget Sound. Board Member at Large AB John McCarthy on board and reports all is well. The vessel will likely make a run down to San Francisco Bay area at the end of the month.

### Kodiak

The vessel continues to make runs between Valdez, AK and El Segundo Sea Terminal, CA. Board Member at Large Joe Bernavich and also Engine Trustee Will Ackley on board and staying in touch with the ESU office frequently. Both report everything going well with no problems. The crew is getting the ship ready for its upcoming shipyard period. The vessel will make the last discharge at El Segundo trip before heading to Port Angeles for tank inspections before departing for the three week trip to Singapore around the first week of April.

### Sierra

The vessel continues the run between Valdez and San Francisco Bay area. Regular Ship Representative Thor Floreen departed for paid leave, AB Skip Williams taking over as Temporary Ships Rep. and reports everyone is doing well and no problems. Vessel completed a split discharge between Puget Sound and the San Francisco Bay area. The *Sierra* is scheduled to make another discharge this month between southern California and Puget Sound, then heading to Port Angeles for COI and minor repairs.

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

## AMEU ratifies a 5-year contract with Polar Tankers

The Atlantic Maritime Employees Union and Polar Tankers, Inc. (ConocoPhillips) conducted negotiations back in November 2012 and reached a deal with a MOU that went out to vote by the membership in January 2013. The AMEU membership overwhelmingly ratified the MOU on February 11.

The length of the agreement is a five (5) year contract that took effect on March 1, and runs through February 29, 2018. The MOU stipulates wage increases of three percent (3%) effective March 1, 2013; March 1, 2014; March 1, 2015 for all wages related items, with wage re-openers during the fourth and fifth years, February 28, 2016 and February 28, 2017, respectively. Other non-wage related items highlighted in the agreement are as follows:

- Paid Leave increase in the second year of the contract March 1, 2014 by 1 day per month from 23 days off for 30 worked to 24 days off to 30 worked.
- Daily Per Diem went up from \$40 daily to \$60 daily.
- Stepping up to Chief Steward increase in wages to be equivalent as the Bos'n and Junior Engineer
- Extra compensation when sailing shorthanded in the Engine Department, the other departments already had this language in the previous contract.
- Television and entertainment fund increased from \$200 to \$400

Some of the above items were issues similar that the ESU was very passionate and vocal about during our last contract negotiations, like the paid leave, daily per diem and quality of life onboard. As we predicted in 2011, during our contract negotiations, other competitor maritime traders have now significantly surpassed ESU members regarding daily per diem rates. In addition to the AMEU, the Sailors' Union of the Pacific was also successful in raising their daily rates to \$60 per day with Chevron Shipping in 2012.

Another item dear to the ESU membership is quality of life aboard ship. The new AMEU contract calls for increases to the so called Entertainment Fund, surely a plus, but the AMEU membership already benefits from a Polar management decision to install Satellite TV's, DVD Players and Refrigerators in every state room aboard their vessels.

In addition to ratifying a new agreement, on February 11, 2013 Polar Tankers employees a week later received an additional bonus of 10.875% of annual wages (2012 W-2 wages minus the 2011 bonus of 11.344%) for ConocoPhillips' corporate VCIP bonus award program. These annual bonus payments amount to significant payouts and have been paid consistently in addition to their contractual pay increases. Likewise, Chevron Shipping Company employees (SUP members) receive a significant annual corporate bonus, which is also paid on wages minus the bonus that was paid the previous year. Incidentally, the world's largest integrated oil company, ExxonMobil, does not provide a bonus program to its blue-collar workers.

It should be clear that the ESU expects to address areas of the ESU Contract where we have now fallen significantly behind our closest competitors during next year's contract negotiations with SeaRiver. One glaring example is the ESU daily subsistence rate of \$44 per day compared to Chevron and Polar's \$60 per day. The ESU pushed hard for an increase during 2011 contract negotiations but was unsuccessful to gain any increase from SeaRiver management. Additionally, SeaRiver's new build program provides an excellent opportunity for the Company to seriously improve the quality of life aboard ship for every crew member by taking a closer look at Polar's shipboard initiatives would help bring the SeaRiver fleet into the 21st century.

## Maintenance Seamen preference

Ship Representatives and everyone on the Maintenance Seamen Seniority list needs to be aware of ESU Contract language pertaining to preference for departmental assignments in situations where two or more Maintenance Seamen desire assignment to the same department. According to the Contract, it is the Union's position that such preference will be determined by the individuals' MS bargaining unit seniority.

Contractual language found in Article X, Section 1 and paragraph F states in part; "Where qualifications between two (or more) MS on the MS Seniority List are relatively equal, MS department preference will be based on MS bargaining unit seniority". Bargaining unit seniority is an employee's length of continuous service with the ESU bargaining unit.

## EXXON SEAMEN'S UNION

Founded March 28, 1941

Affiliated with the Sailors' Union of the Pacific

P.O. Box 754, Seabrook, TX 77586

Tel (832) 295-3047 Cell (713) 306-9528

Fax (832) 201-0441

E-Mail: esusea@sbcglobal.net

President/Secretary John Straley

Vice President/Treasurer Leo DeCastro

Board Member at Large Joe Bernavich

Board Member at Large John McCarthy

Deck Trustee Kevin Conroy

Engine Trustee William Ackley

Steward Trustee Kurt Kreick

## A look astern...

From the March 12, 1913 issue of the *Coast Seamen's Journal* on the 28th Anniversary of the SUP on March 6, 1913:

### BIG CROWD—BIG NOISE

“This year’s celebration was no exception to the rule in point of members and enthusiasm. Long before the hour of opening the proceedings the hall at Headquarters was crowded with a host of earnest and enthusiastic men.

Besides the members of the Sailors’ Union, there were present many members of the other maritime unions, Fishermen, Firemen, Cooks and Stewards, Engineers, etc. The hall was profusely decorated, and a splendid orchestra, under the leadership of Charles Schuppert, himself a well-known figure on many such occasions, discoursed a number of pleasing selections. A number of ladies, the wives of members, graced the large gathering.

Comrade Ed Andersen was introduced as the oldest member of the Union, being A. 1 on the membership books. The veteran of a hundred fights was enthusiastically received. His narration of the humorous events in the early history of the Union was greeted with roars of laughter and applause.

Comrade Andersen described the meeting that took place in the North Pacific Hotel, corner of Drumm and Sacramento streets on March 5, 1885, at which it was decided to call a meeting of all the seamen in port for the following night. In this way the speaker explained his claim as having joined the Union a day before it was organized.

The famous meeting at the lumber-pile on Folsom Street dock took place on the night of March 6, in accordance with the arrangement of the previous day. The speaker graphically related the principal events of the occasion and named the men most conspicuous in laying the foundations of organization among the seamen of the Pacific Coast. He paid a tribute of respect to the memory of Rasmus Nielsen, the first Secretary of the Union.

At first nobody took much notice of the attempt to form a Union of seamen. Other attempts of the same kind had been made and had ended in failure. Profiting by these failures, the seamen went vigorously to work, determined to succeed if that were humanly possible.

The first step was to declare a strike for an increase in wages to \$30 a month in coal vessels, \$35 in lumber vessels and \$40 in outside schooners. At that time the largest schooner on the Coast carried 600,000 board-feet, while the average vessel carried from 200,000 to 350,000 feet.

Strikes were a common occurrence during the early history of the Union. Sometimes they succeeded; sometimes they failed. The Union kept on in spite of failure. The officers in many instances paid their own salary, or worked without compensation. The members paid their own strike benefits, and when their own funds were exhausted stood out as long as the power of human endurance lasted.

In this way the Union grew stronger from year to year and finally became powerful enough to maintain itself against all odds. Now through organization and a good treasury it is in a position to accomplish results for the benefit of its members, results for that were deemed impossible by the men at the lumber-pile twenty-eight years ago.”

### TWIC CENTER

#### CONCORD, CALIFORNIA

On March 15, the Concord TWIC Center moved to the following location:

1805 Arnold Drive  
Martinez CA 94553

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

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

Name (print) \_\_\_\_\_ Book No. \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_

State \_\_\_\_\_ Zip \_\_\_\_\_ Country \_\_\_\_\_



U.S. \$25; International \$45 per year  
Send check or money order to:  
**West Coast Sailors**  
450 Harrison Street  
San Francisco CA 94105

## Welfare Notes

March 2013

### Member Addresses

The Standard uses the SUP Welfare Plan’s record of Members addresses to send you information on your MPP Pension Plan and 401(k) Plan investments. The addresses on file are also used to send you important Welfare Plan notices. Please be sure that the SUP Welfare Plan has your correct address on file. If you used a temporary address as your last address, that is still the address we have for you.

### Medicare for Active Participants

Members with active coverage should enroll for Medicare Part A when they turn 65 years of age. Your initial enrollment period lasts seven months including the 3 months before you become 65 years old and the 3 months after your birthday. As an example if your birthday is in June your enrollment period is March 1 through September 30.

Medicare Part A helps pay the cost of a hospital admission, stay in a skilled nursing facility, home health care, hospice care, and medicines administered to inpatients. There is no premium payment required for enrollment in Part A so active SUP participants should enroll in Medicare Part A when they become eligible.

Medicare Part B provides coverage for physicians including doctor visits in the office and hospital, outpatient services, rehab therapy, lab tests, medical equipment, and most medicines administered in a doctor’s office. Enrollment in Medicare Part B requires a premium payment.

Medicare Part D coverage includes prescription drugs, insulin supplies, and some vaccines. Part D enrollment includes a required premium and penalties are applied for late enrollment. There are a large number of Plan D options that will require you to choose the best one for you.

Active SUP participants who are enrolled in a health plan probably do not need to enroll in Part B or Part D because the copayments for most services will likely be less than the monthly premiums. Additionally, copayments for Active Members as the patient can be submitted for reimbursement to the SUP Welfare Plan.

Be sure to enroll for Medicare Part B and Part D as soon as possible when your active coverage terminates.

Michelle Chang, Administrator [mcsupsiupd@sbcglobal.net](mailto:mcsupsiupd@sbcglobal.net)

Patty Martin MPP & 401(k) Plans, Death Benefits [martinpatty59@sbcglobal.net](mailto:martinpatty59@sbcglobal.net)

Virginia Briggs Claims [vbriggs80@sbcglobal.net](mailto:vbriggs80@sbcglobal.net)

Michael Jacyna Eligibility [mjacyna67@sbcglobal.net](mailto:mjacyna67@sbcglobal.net)

Training Representative Berit Eriksson 415-957-1816 [berittrainrep@sbcglobal.net](mailto:berittrainrep@sbcglobal.net)

Phone Numbers: 415-778-5490 or 1-800-796-8003 Fax: 415-778-5495

SIU-PD Pension 415-764-4987 & SIU-PD Supplemental Benefits 415-764-4991

Seafarers Medical Center 415-392-3611

## ATTEND YOUR UNION MEETINGS!

### American Maritime Partnership refutes criticism over recent rise in gasoline prices

The Board of Directors of the American Maritime Partnership (AMP) sent a letter last month to Congressmen Duncan Hunter (R-California) and John Garamendi (D-California), Chairman and Ranking Member of the House Coast Guard and Maritime Subcommittee, to outline the reasons for recent spikes in gasoline prices and note that the cost of shipping does not have an impact on the price at the pump.

“Crude oil and gasoline are transported into and within the U.S. on railroads, pipelines, foreign flag vessels, and American vessels. The price of shipping within the United States is a minimal factor in the overall supply chain,” the letter read.

The letter was sent in response to those who have blamed American shipping companies for the recent surge in gasoline prices, which have gone up nearly every day since the beginning of February.

“A small number of misinformed individuals have blamed the increase on American shipping companies. However, we want you to know that the change in the cost of gasoline is not the result of transportation costs. This letter provides some additional information about what causes spikes in the price of gasoline,” the letter said.

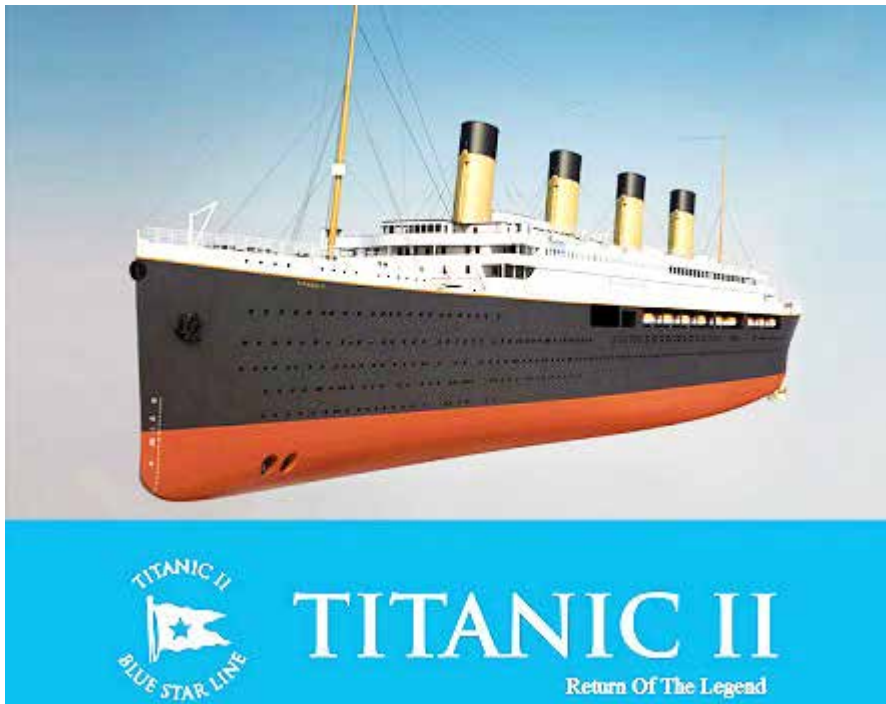
In the letter, the AMP Directors said that nearly 70% of the cost of a gallon of gas is tied to the price of a barrel of oil on the open market. When that is combined with federal, state and local taxes that are placed on gasoline purchases, that number goes up to 82%.

“Accusations that American shipping is somehow the cause of the recent spike in gasoline prices are pure fiction,” the letter said. “Gasoline prices have increased in every part of the country, even in those regions where domestic vessels play no part in the transportation.”

The SUP is a member of the American Maritime Partnership.



## Titanic II plans revealed



Australian mining billionaire Clive Palmer has unveiled blueprints for the *Titanic II*, a modern replica of the ill-fated ocean liner.

The ship will largely recreate the design and decor of the original, with some changes to keep it in line with current safety rules and shipbuilding practices, reports *Reuters India*. Just like on the original cruise ship, the three passenger classes will be prevented from intermingling.

However, Palmer, who created Blue Star Line in 2012, will not make the infamous “unsinkable ship” claim that the original operators did. *Titanic II* will have ample lifeboat spaces for each person aboard the vessel, and will have extra escape staircases.

Palmer declined to answer questions about the project’s cost.

China’s CSC Jinling Shipyard is slated to build the *Titanic II*, although a contract for the job has not been signed yet. Construction is expected to begin later this year, with the maiden voyage scheduled for 2016. It will follow the original trans-Atlantic crossing route.

Passengers will find 1912-style clothing in their rooms to dress up and pretend they are living in an earlier era, if desired, as they visit reproductions of the original first-class dining and smoking rooms. Although the classes will be kept essentially separate, Palmer is considering offering ticket packages that would allow passengers to experience all three classes during a typical six-day Atlantic crossing. Prices for the tickets have not yet been announced.

## Postal Unions condemn plan to end Saturday delivery

Postmaster General Patrick Donahoe’s plan to end Saturday mail delivery beginning August 5, is a “disastrous idea that would have a profoundly negative effect on the U.S. Postal Service (USPS) and on millions of customers,” said Letter Carriers (NALC) President Fredric Rolando.

Postal Workers (APWU) President Cliff Guffey said, “USPS executives cannot save the Postal Service by tearing it apart. These across-the-board cutbacks will weaken the nation’s mail system and put it on a path to privatization.”

Guffey added that the USPS already has begun slashing mail service by closing 13,000 post offices or drastically reducing hours of operation, shutting hundreds of mail processing facilities and downgrading standards for mail delivery to America’s homes and businesses.

Rolando called Donahoe’s strategy in dealing with the Postal Service’s financial challenges a “slash-and-shrink approach.”

Postal Unions have tried to work with USPS management to develop cost savings and growth measures. Just this past November a USPS report showed that worker productivity has increased while both operational expense and the Postal Service’s deficit have dropped significantly.

The root cause of the agency’s fiscal problems is the unique Congressional requirement—the Postal Accountability and Enhancement Act (PAEA)—that USPS prefund retirement benefits for decades into the future. Guffey called for repeal of that requirement in order to restore financial stability to the USPS.

No other entity, public or private, bears this burden. Since the PAEA took effect in 2007, the Postal Service has been required to pre-pay some \$5.5 billion per year. Yet the same law prohibits the Postal Service from raising postage rates to cover the cost.

Rolando said Donahoe’s decision is “misguided and counter productive” and called for his dismissal. “We urge Congress to develop a real reform plan that gives the Postal Service the freedom to grow and innovate in the digital era,” he said.

AFL-CIO President Richard Trumka said in a statement: “Ending Saturday mail delivery negligently tears at a piece of the American fabric that has existed since 1863. It is sorely misguided and ignores the responsibility Congress holds for wrecking the USPS finances in the first place. This move would not only eliminate more jobs at a time when Americans need them most, but it would also have a huge impact on the millions of customers who rely on mail delivery, including small businesses that need mail for accounting and commerce transactions, and rural communities where mail is still the major form of communication. We may live in a digital age, but the elderly and the disabled, as well as the working poor, often don’t readily have access to information other than through the delivery of their mail.”

## Another foreign-flag cruiseship nightmare

Royal Caribbean Cruises Ltd said, this month, that its *Vision of the Seas* ship arrived in Port Everglades, Florida, after 108 people fell sick with a gastrointestinal illness believed to be caused by a norovirus.

The incident was the latest black eye for the cruise industry trying to find its footing again after several high profile mishaps.

Royal Caribbean said those sickened have responded to the over-the-counter medicine they were given. Some 105 of 1,991 passengers and 3 crew members of 772 aboard fell ill.

Norovirus outbreaks are fairly frequent on cruise ships. In December, some 194 passengers and 11 crew members aboard the luxury cruise ship *Queen Mary 2* were sickened and suffered from vomiting and diarrhea.

In 2012, including the *Queen Mary 2* incident, a total of 16 outbreaks on cruise ships were reported to the U.S. Center for Disease Control, up from 14 in 2011. Vessels are required to notify the agency when 2 percent of those on board develop a gastrointestinal illness.

Last month, thousands of passengers spent nearly five days on a disabled cruise ship operated by Carnival Corp in the Gulf of Mexico. Carnival’s *Triumph* was returning to Galveston, Texas from Cozumel, Mexico, on the third day of a four-day cruise when an engine-room fire knocked out power and plumbing across most of the ship. In January 2012, the *Costa Concordia*, also operated by Carnival Corp, ran aground off the Italian coast and killed 32 passengers.

Norovirus causes an inflammation of the stomach or intestines called acute gastroenteritis, producing stomach pain, nausea and diarrhea, and is the most common cause of acute gastroenteritis in the United States.

Each year, norovirus causes some 21 million illnesses, of which 70,000 require hospitalization. It kills about 800 people a year, the CDC says.

The 915-foot-long *Vision of the Seas* can accommodate 2,416 guests and 742 crew members. The vessel was ending an 11-night Caribbean cruise that left Port Everglades on Feb. 25. Its previous port of call was Aruba on March 5.

## Senator Rockefeller blasts Carnival’s dismal safety record demands answers from CEO

Senator John D. (Jay) Rockefeller IV (D-West Virginia), Chairman of the Senate Committee on Commerce, Science and Transportation, has sent a letter to Micky Arison, Chief Executive Officer of Carnival Corporation, expressing his serious concerns surrounding the recent *Carnival Triumph* incident, which left more than 4,000 passengers and crew members stranded amid accounts of unbearable living conditions.

“Just today, March 15, we’ve been reminded of Carnival’s dismal safety record with reports that the *Carnival Dream* is experiencing problems,” said Rockefeller. “The ship is stranded in a Caribbean port with no power and thousands of passengers trapped onboard. Last month, the Coast Guard spent almost \$780,000 in responding to the *Carnival Triumph* incident, costs that are paid by federal taxpayers. The Coast Guard has responded to a string of 90 marine casualty incidents with passengers onboard Carnival ships in the last five years. It seems that Carnival has failed to take any meaningful course of corrective action after these continual incidents.”

Senator Rockefeller also posted on his website a letter to Carnival CEO Micky Arison seeking answers on cruise safety.

Rockefeller asked Arison to provide details on lessons learned from the November 2010 *Carnival Splendor* casualty and the February 2013 *Carnival Triumph* casualty, as well as other Carnival safety management information.

**The Carnival Splendor response cost the USCG \$1.54 million and the U.S. Navy \$1.88 million, while the USCG’s Carnival Triumph response cost was \$779,914, for a total of \$4.2 million. “Given that you reportedly pay little or nothing in federal taxes, do you intend to reimburse the Coast Guard and the Navy for responding to either casualty?” Rockefeller asked Arison.**

Last month, Rockefeller wrote a letter to Admiral Robert Papp, Commandant of the United States Coast Guard, sharing his concerns regarding the *Carnival Triumph* incident. The Coast Guard and National Transportation Safety Board have already launched an investigation into the cause of the engine room fire which led to the loss of power onboard the vessel. A year ago, Rockefeller held a Committee oversight hearing in to examine deficiencies in the cruise line industry’s compliance with federal safety, security, and environmental standards and review whether cruise ship industry regulations sufficiently protect passengers and the environment.

## Foreign-flag Carnival tops casualty list

Cruiseships owned by Carnival Corporation have suffered a disproportionate number of casualties versus other cruise lines, according to a data base compiled by the U.S. Coast Guard from January 2008 through the *Carnival Triumph* fire in February 2013.

According to a review of the data, there were 138 incidents listed by the USCG. Of those, 92 involved ships owned by Carnival Corp (77%), 22 involved Royal Caribbean-owned ship (16%), eight involved Norwegian Cruise Line (NCL) ships (6%) and 16 involved vessels owned by other companies (11%).

While Carnival has more ships than Royal Caribbean, its share of the reported casualties is significantly higher. Carnival currently owns 2.4 times as many vessels as Royal Caribbean, but the USCG recorded 4.2 times more Carnival incident than Royal Caribbean incidents during the past four years.

Carnival Cruise Lines president Gerry Cahill addressed safety concerns at a cruise conference on March 12. According to a transcript of his speech released by Carnival, Cahill announced that the company has launched a comprehensive fleet review in the wake of the *Carnival Triumph* incident. The review covers fire prevention and suppression as well as engine-room redundancies. “This review is very comprehensive” and “will take us a little bit of time to complete,” said Cahill. He emphasized that “it is our highest priority throughout the entire organization” and “it is the thing we are most focused on. We will come up with solutions that we can implement across our entire fleet.”



# SUP President's Report

March 11, 2013

## FOOD FOR PEACE

continued from page 1

of Public Law 480 provides for the donation of U.S. agricultural commodities by the U.S. government to meet humanitarian food needs in foreign countries. We are supportive of USDA's work in this area.

Food for Peace has been our nation's flagship international food assistance program since its establishment in 1954. When President Eisenhower signed into law legislation authorizing the program, he explained that the purpose was to "lay the basis for a permanent expansion of our exports of agricultural products with lasting benefits to ourselves and peoples of other lands." This program has been instrumental in linking rural America and the U.S. agriculture and transportation industries to communities in the developing world while building greater awareness and support at home for the needs of the poor, hungry and disenfranchised around the world.

Food for Peace provides economic benefits at home, stimulating our farm and transportation industries. American agriculture is one of the few U.S. business sectors to produce a trade surplus, exporting \$108 billion in farm goods in 2010. During this time of economic distress, we should maintain support for the areas of our economy that are growing. In addition to providing American commodities directly to those without access to food, Food for Peace supports a variety of developmental programs implemented by U.S. faith-based organizations, designed to help end the cycle of poverty.

Again, we ask that you maintain funding in your Fiscal Year 2014 budget request to Congress for USDA's Food for Peace Program. This program is important to American farmers and shippers and developing nations around the world. We look forward to working with you on this issue."

On the following day (February 21), in a letter to President Obama, a broad range of Unions, companies and organizations spanning several sectors of the U.S. economy expressed overwhelming support for sustained funding of the Food for Peace program, and strong opposition to proposals of shifting resources for these programs to the procurement of commodities overseas. See Page 3.

The SUP was among 70 signing the letter, which will be published in the March issue of the West Coast Sailors.

As noted in the letter to the President signed by the SUP: "Growing, manufacturing, bagging, shipping, and transporting nutritious U.S. food creates jobs and economic activity here at home, provides support for our U.S. Merchant Marine, essential to our national defense sealift capability, and sustains a robust domestic constituency for these programs not easily replicated in alternative foreign aid programs. Overseas, Food for Peace has a strong track record of reducing child malnutrition and increasing incomes and food supplies for very poor and vulnerable populations."

Separately, 26 organizations and associations from the farming, food production and agricultural sectors sent a letter dated February 21, to the Senate Appropriations Committee's Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Chairman Mark Pryor (D-Arkansas) and Ranking Member Roy Blunt (R-Missouri). The letter expressed similar strong support for sustained funding of Food for Peace and Food for Progress, and opposition to shifting program resources to purchase food aid from foreign suppliers.

As noted in the letter to Senators Pryor and Blunt: "In addition to fighting global hunger and facilitating developmental programs, the program is one of our most effective, lowest-cost national security tools. Bags of U.S.-grown food bearing the U.S. flag and stamped as 'From the American People' serve as ambassadors of our nation's goodwill, which can help to address the root causes of instability. We doubt that less reliable foreign-procured food products, whose quality and safety are unknown but paid for by American taxpayers, would have the same impact. Proposals to slash funding

for the program, or shift to purchases of food aid from foreign (sometimes called 'local and regional') suppliers instead of American farmers would be detrimental to our economy and bad national security policy."

Since the President's budget is due to be released soon and given the critical nature of the issue, was in Washington, D.C. on March 4 and 5, to inform Democrats from California on the Food for Peace issue. Met with representatives of Senators Barbara Boxer and Dianne Feinstein as well as representatives of Congressman John Garamendi, Congresswoman Janice Hahn, Congressman Mike Honda, Congressman Alan Lowenthal, Congresswoman Linda Sanchez, and Democratic Minority Leader Nancy Pelosi.

A few of the Congressional representatives were aware of the issue, but the vast majority were not and were shocked. It is anticipated that a letter will be sent to President Obama by members of the House of Representatives supporting Food for Peace.

*Editor's Note: On March 15, Congressmen Elijah Cummings (D-Maryland) and Duncan Hunter (R-California) sent the following letter to all members of the House of Representatives entitled "Supporting Food for Peace!":*

**"Dear Colleague:**

**Please join us in supporting U.S. humanitarian food aid, strengthening U.S. farm production, and preserving the U.S.-flagged merchant fleet by co-signing a letter to the President urging the continuation of the Food for Peace program.**

**Since 1954, the United States has provided vital food aid to the world's poorest communities through the Food for Peace program, which ships U.S. agricultural products on U.S.-flagged merchant vessels to food-insecure nations. For six decades, this critical program has fed millions at risk of starvation and strengthened the capacity of local communities around the world to respond to natural and man-made disasters.**

**In recent years, there have been significant cuts to the Food for Peace budget. Any additional budget cuts –or changes in the way the program is implemented– would reduce U.S. food aid to vulnerable populations while putting jobs in our agricultural and maritime sectors at risk.**

**We urge you to join us in affirming how critical Food for Peace is to helping prevent humanitarian disasters while also supporting American farm production and the sealift capacity on which our military depends."**

Will continue to press members of Congress to support Food for Peace and the Merchant Marine. Will keep the membership fully informed.

While in Washington, I visited the offices of American President Lines to discuss the company's operations. Given the ongoing withdrawal of U.S. forces from Afghanistan and the steep drop in cargo on the Suez Express Service, particularly westbound to the East Coast, it is likely that the company's non-Maritime Security Program (MSP) vessels in that service (*Presidents Adams, Jackson, Polk, Truman* and *APL Japan*) will be withdrawn and flagged foreign in the near future or be used elsewhere under the U.S. flag, which is doubtful at best.

It is anticipated that of the nine MSP vessels the company operates, six will remain in the TransPacific while the remaining three (*APL Agate, APL Coral, APL Cyprine*) could remain on the Suez Express.

## AMERICAN PRESIDENT LINES

Bob Stephens, APL Vice President of Labor Relations, requested a meeting to discuss the Middle Harbor Terminal issue. Your secretary could not attend as all flights from Washington were canceled due to weather. The following report is by Vice President Dave Connolly.

"As was reported in January and February, APL notified the Union late in 2012 that the company intends to cease operations at Middle Harbor Terminal (MHT), also

known as Golden Gateway Central (GGC) in Oakland. APL's Vice President of Labor Relations, Bob Stephens, had answered some of the questions of the SUP and MFOW in a letter dated January 22. (See February issue of the West Coast Sailors.) But some questions remained and at a meeting on Thursday, March 7, APL's representatives faced inquiry from the Unions and supplied more information.

For the company Bob Stephens, General Counsel Tim Windle, and Director of West Coast Ports Ronnie Armstrong attended, and for the Union were MFOW President Anthony Poplawski, SUP Vice-President Dave Connolly, and Union counsel Peter Saltzman. At the outset Stephens said the purpose of the meeting was to explain in detail APL's plans and to try to "resolve the impact" of MHT closure. The SUP and MFOW declined to bargain the effects of the closure at this meeting, reserving that right for a future meeting pending a greater understanding of the issues. To that end the Unions demanded an explanation of the business case for closure. Stephens said the decision depended mainly on broad industry trends and only secondarily on existing cost issues at MHT. Since the economic collapse in 2008, he stated the Company had taken numerous steps to control costs due to declining revenue. Those steps including cutting some management positions and moving most management operations to Scottsdale, Arizona, among other things, including consideration of closure of MHT.

The MHT closure analysis was part of a six month review of the options which included continued operation, calling at a different terminal, as well as ending Oakland as a port call for its TransPacific services entirely. The final decision, as indicated in the January 22 letter and confirmed at the March 7 meeting, is that APL will continue to call at Oakland, but cease operations at MHT, contracting instead at Oakland International Container Terminal (OICT) at Berths 57-59 operated by Stevedoring Services of America (SSA). The industry trend to larger and larger ships coupled with the fact that MHT is only dredged to 42 feet while OICT is dredged to 50 feet was a significant factor in the analysis. Armstrong confirmed that the long-established industry trend to "upsized" vessels to lower costs is now, belatedly, the APL position. The next generation of ships in the 6,000 to 8,000 teu range that are presently slated for the company's PS-5 foreign flag service would have been constrained by draft at MHT and this was the most important factor in the decision to exit the terminal.

The Unions repeatedly requested details about the various aspects of OICT operations. Will APL cargo be handled entirely by OICT or will MHT be a necessary part of the operation? Where will the container washing be done? Who will do the maintenance and repair? Are there any plans to do the work off-site? Will SSA simply knock down the fences and create a super-terminal doing the same work on the same facility under different collective bargaining agreements? To these and other questions, the company declared that they had no other plans than to use OICT and expected OICT alone would handle the entire operation. Windle said that APL had made its requirements known to SSA and SSA has committed to satisfying those requirements.

The Unions next requested information about the company's long range plans, and whether or not the closure of MHT was a precursor to the same action in Los Angeles, for example. APL denied that there was any such long-range plan, but said the entire business was under continuous review.

Finally, although they expected OICT to handle the entire operation, APL also indicated that they could not speak for SSA's plans in Oakland or their negotiations with the Port of Oakland, and offered no information on the participation of Matson, which has a 48% stake in SSA, in the deal. Finally, on the question of its lease issues with the Port of Oakland, Stephens answered that while APL is still negotiating its termination of the MHT lease, the company expects to exit the lease entirely without a sub-lease arrangement. Armstrong added that such a decision could come as soon as March 14, when Port staff presents the deal to Oakland Port Commissioners. The meeting ended with a commitment from both sides for further discussion in April."

Will keep the membership informed as this issue advances.

*continued on next page*

## SUP President's Report continued

### SUP ELECTION

On Friday, March 1, the Union received a United States Postal Service Express Mail delivery addressed to the SUP Balloting Committee from Paul Calais, membership #4781, challenging the recently concluded election of Union officers and referenda on proposed Constitution and Shipping Rule amendments.

The challenge by Calais, dated February 28, states:

**"I Paul L. Calais #4781 S.U.P. Do challenge the 2013 election of the S.U.P.**

**On the grounds that many members claim they did not get their ballot.**

**Or got the wrong ballot. This is not the first time this has happened and the president knows this. But yet gives his full support to the same group and or family that owns the ballot counting company. The president has many times**

**Shown me he is not to be trusted.**

**Also that the election supplement was conveniently sent out late.**

**Not allowing the S.U.P. brother time to discern over it as they vote.**

**This action did not reflect the standards of our past practice.**

**But does show a shady history of the bad or maybe illegal methods."**

Challenges to elections are covered in Article XII, Section 13. of the SUP Constitution which states: **"Any challenge to the conduct of the election shall be made not later than thirty (30) days from the date of the report by the Balloting Committee. Such challenge must be in writing and signed by the complaining member or members and shall be sent by certified mail to the Balloting Committee at Headquarters which shall hold hearings thereon and shall make its decision within thirty (30) days after the conclusion of the hearings. The Balloting Committee's decision shall be in writing and state the reasons therefor and its decision shall be final and binding. The winning candidate shall be so notified and shall assume office within thirty (30) days after notification."**

Vice President Dave Connolly contacted members of the Balloting Committee (Romaine Dudley #2593, Diane Ferrari #2251, David Larsen #19078, John Linderman #4094, and Art Thanash #3249) who on March 7, set a hearing date of Thursday, March 14, at 9:00 A.M. at SUP Headquarters. Notice of the hearing was emailed to all SUP Branches on the same date.

### MARITIME TRADES DEPARTMENT

Along with MFOW President Anthony Poplawski, attended the annual Executive Board meeting of the Maritime Trades Department, AFL-CIO, on February 21, and 22, at Lake Buena Vista, Florida. Speakers included AFL-CIO President Richard Trumka, Hawai'i Governor Neil Abercrombie, Acting International Transport Workers' Federation (ITF) General Secretary Steve Cotton and Rear Admiral Mark Buzby, Commander of the Military Sealift Command.

Trumka gave a detailed look at the challenges organized labor currently faces. Abercrombie gave a rousing speech and strong speech on protecting the Jones Act and the importance of grassroots political action in the maritime industry. Cotton updated all on the ITF's fight to eliminate exploitation of the world's mariners. Rear Admiral Buzby praised the importance of U.S. merchant mariners to the nation's defense.

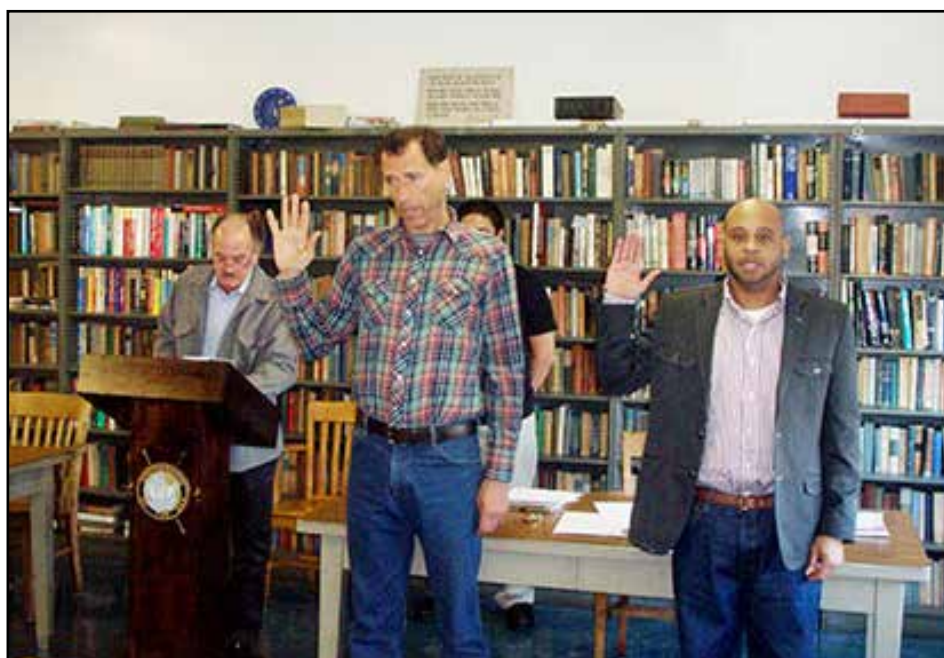
**Matt Cox, President and CEO of Matson, Inc., addressed the meeting and stated the company plans to build two new containerships with roll-on/roll-off capacity within the next three-to-five years and hoped to have a contract signed for the vessels this year.**

The MTD also passed resolutions of direct importance to the membership of the SUP, including those concerning the Maritime Security Program (MSP), the Jones Act and cargo preference.

### HOLIDAYS

#### "Teddy" Gleason's Birthday

March 17 is a recognized holiday under the International Longshoremen's Association (ILA) agreement honoring former ILA President Thomas "Teddy"



SUP President Gunnar Lundeberg (left) reads the Oath of Obligation repeated by new book members Phil Romei and Janan Johair at the February membership meeting while Chairman Izzy Idris looks on in the background. Photo: Dave Connolly

Gleason. Since the holiday falls on a Sunday, it is observed on Monday, March 18. Therefore, in accordance with the SUP/APL Agreement, it is a holiday for APL vessels in East Coast ports on that date.

#### Harry Bridges Memorial Day

The Honolulu Branch will be closed on Thursday, March 28, in observance of an ILWU Local 142 holiday. Under the SUP agreement with Matson, this is a holiday for company vessels in Hawai'i ports on that day, the Paint & Rigging Gang and those employed under the Extra Maintenance Agreement.

This is not a holiday in West Coast ports. Harry Bridges Birthday is a holiday in West Coast ports on July 28.

#### Good Friday

All SUP halls on the West Coast will be closed at noon in observance of Good Friday, on March 29. The Honolulu Branch will be closed all day as it is an ILWU Local 142 holiday, therefore, it is a holiday for Matson ships in port and for those working under the Maintenance Agreements.

#### Cesar Chavez Birthday

All SUP halls on the West Coast will be closed on Monday, April 1, in observance of Cesar Chavez' Birthday which this year falls on Sunday, March 31. As an ILWU holiday, it is therefore, a recognized holiday for SUP members working under the APL and Matson Maintenance Agreements and for those in APL and Matson vessels in West Coast ports on that day. The holiday is also applicable to members employed by the San Francisco Bar Pilots.

Cesar Chavez' Birthday is not a holiday in Hawai'i, therefore, the Honolulu Branch will be open.

### ACTION TAKEN

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

*Gunnar Lundeberg*

## Vice President's Report

March 2013

#### Joe Marusak

We've seen our share of final departures, and those that made that trip at sea among them. Rolando de Guzman, Chris Bright, Mark Jones, Billy McAndrew, to name only a recent few. Now Joe, who didn't show up on the bridge for the four-to-eight watch, joins legions of others in the annals of SUP history, properly recorded as lost at sea. I saw him aboard ship in Oakland and descending the gangway I remember thinking that he didn't look right. I couldn't place it but when the call came a week later that he was missing and the ship was searching it instantly seemed like a horrible puzzle had been solved. Later, when we learned that the details did not mix well with a deliberate step into the deep—that there was no abnormal behavior, that he had worked all day, that he had taken a cash draw against wages for shore leave in Yokohama, that there was no note—I felt worse than before as the mystery of it spins in the mind. Many members have asked for an explanation but with so little information an explanation is not available. He didn't turn to for watch and so the gang searched the ship, reversed course and searched the sea. If you like, you can think he slipped, or that he was taking some kind of risk, or that there was an acute medical emergency that clouded his judgment, or an unseen rogue sea or any other combination of events that might have led to his demise and you would be as accurate as any other speculation. The search for a reasonable cause of an incomprehensible event is a search that never ends. So to stop the circularity I will impose for myself an order on the meager and contradictory facts. Beneath a calm surface Joe was locked in hot battle, gripped with terror and repeatedly lashed by a mental agony that we might imagine but not sense. Extreme depression has been described as the inability to construct a future. In that context it might help to imagine Joe's situation as like that of a man making a snap decision at the window of a burning building many stories above the street. This "lesser of two evils" account may only be the fiction that comforts for it surely cannot be substantiated in the case of our brother the sailor Joe Marusak. But whatever happened to him, we should nevertheless recognize that interior danger as inherent in our craft. With its isolation of many forms, its distance from family, its disruption of circadian rhythm, and especially with its ever-present proximity to the lethal and convenient means that is death by water, the perils of depression are for sailors menacing occupational hazards. Remembering that our mental health is at least as important as our physical health, we might finally offer our support to the stalwart and heartbroken crew of the APL Philippines, to whom fell the terrible duty to resume the original course and depart the search area still missing a man.

**Kauai:** Greg Schauf, delegate. In at Oakland with no problems. Good discussion on mandatory topics of bargaining. Robert Jones has things squared away as bosun.

**USNS Lt. Harry Martin:** Michael Burpee, delegate. Crew worked to deploy fenders for lightering ops alongside in Jacksonville. Jameala Hagens getting the job done along under the direction of Bosun Joe Nugent.

**Oregon Voyager:** Anton Seravaseiyar, delegate. Short notice COI drills for the USCG at Richmond Long Wharf.

**Florida Voyager:** Bill Fisher, delegate. Possibly the only SUP delegate who is also a great-grandfather. Mike Fox is the bosun and as a result the ship is in good shape. On the LA to SF run (because of refinery issues) after years dedicated to the Columbia River run.

*continued on next page*

# SUP Branch Reports

## Seattle

February 19, 2013

Shipping for the period: 3 Boatswains shipped and filled with 2 A-seniority members to steady job and 1 B-member to a USNS bottom. 11 Able Seaman jobs were filled by 7 A's and 1 B, 2 C's and 1 D-registrant. 1 STOS and 1 Ordinary Seaman shipped; and 18 stand-bys filled with 6 A's, 9 B's, 2C's and 1 D-registrant.

Registered during the period: 1 A cards for a total of 28; 9 B cards for a total of 31; 0 C cards for a total of 8.

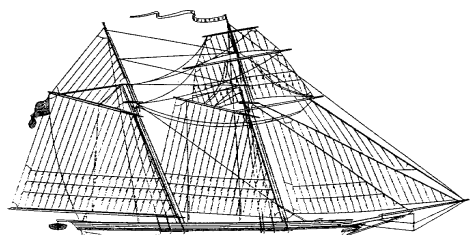
### Ships checked

The Matson ships *M/V Manoa*, *SS Maui* and *SS Kauai* all called Seattle with the *Kauai* laying off the crew for engine repairs. The American President Lines vessels *APL Japan* and *APL Cyprine* called for crew with the *Cyprine* gang flying back to a Hong Kong shipyard. The Patriot vessels *USNS Yano* called for crew replacements.

I represented the SUP/MFU at the following meetings: The Alaska Way Viaduct Replacement Committee; the King County Labor Council; a Port of Seattle and King County Labor Council joint meeting.

United States Senator Patty Murray called for a meeting of labor leaders to meet with her at the King County Labor Council. I attended and thanked Senator Murray for her support of the Jones Act and the Maritime Security Program.

Vince O'Halloran  
Branch Agent



## Wilmington

February 19, 2013

Shipping during the period: Bosun 3, AB: 9, AB Maint: 4 standby: 42 for a total of 58 jobs shipped.

Registration for the period: A-37, B-32, C-17, D-5.

### Ships Checked

*Manukai*, *APL China*, *Manulani* (sailor missed shift. He was told to call me for update and did not. It would have been his own fault if he was fired.); *Mokihana*, *Maunawili*, *APL Philippines*, *APL Singapore*, *R.J. Pfeiffer*.

Attended the AMMVMC meeting on January 22. Yearly elections were held. The same cast of characters was elected to take care of the Wall of Honor and hose Maritime Day. On February 14, attended the MTD meeting.

Thanks to Marty Bellhouse for his generous donation of \$1,000 to the Wall of Honor.

Be sure and check your MMD, passport and TWIC dates. It seems like it's the time for renewal for a lot of our members.

Mark Hurley  
Branch Agent

# Attend your Union meetings!

See dates for the regularly scheduled SUP meetings on page 2.

## Honolulu

February 19, 2013

Shipped the following jobs in February: 2 Bosun steady, 1 AB Day steady, 1 AB Maintenance steady and 1 OS steady. The shipping jobs were filled by 3 A cards and 2 B cards.

Also shipped 14 standby jobs for the month of February. The standby jobs were filled by 8 A cards, 5 C cards, and 1 D card.

Registered in February: 4 A cards, 6 B cards, 4 C cards, 1 D card. To date totaled registered: 12 A cards, 9 B cards, 8 C cards, 3 D cards.

### Ships checked

I visited the *Manukai*, *Maunawili*, *Maunalei*, *Manulani*, *RJ Pfeiffer*, *Manoa*, *Kauai*, *Mokihana*, *Mahimahi*, and the Paint and Rigging gang. All are running with few or no problems.

I represented the SUP at the Hawai'i Port Maritime Council meeting. The Hawai'i Port Maritime Council Annual Ohana Bar-B-Que will be held on April 29th, 2013 at the Disabled American Veterans Bldg.-The Harry & Jeanette Weinberg Hall. The address is 2685 North Nimitz Hwy-Honolulu, Hi. 96819. The time will be from 5pm until 8pm. Anyone interested in going should let me know by April 22nd so we can plan on how much food and beverages to buy.

Shipping has been really slow in Honolulu the last month or so. The 3 ship jobs I shipped this month all went to A cards that were on the head. Even standby work is going to mostly A cards. Hopefully shipping will improve in the next couple of months. Mahalo,

Michael Dirksen  
Branch Agent

## Dispatcher's Report

Headquarters—Feb. 2013

Deck	
Bosun.....	1
Carpenter.....	0
MM.....	3
AB.....	4
OS.....	4
Standby.....	7
Total Deck Jobs Shipped.....	19
Total Deck B, C, D Shipped.....	6
Engine/Steward	
QMED.....	0
Pumpman.....	0
Oiler.....	0
Wiper.....	0
Steward.....	0
Cook.....	0
Messman.....	0
Total E&S Jobs Shipped.....	0
Total E&S B, C, D Shipped.....	0
Total Jobs Shipped - All Depts.....	19
Total B, C, D Shipped-All Depts.....	6
Total Registered "A".....	32
Total Registered "B".....	24
Total Registered "C".....	20
Total Registered "D".....	44



## Vice President's Report continued

**California Voyager:** David Fadoul, delegate. Call from the delegate indicates that the ship is in good shape on the Gulf to East Coast run. Signing up new members.

**Mokihana:** Bill Berry was relieved by Tony Ymas who will be relieve a by a new delegate at sea. Ship delayed due to fog. Harassment claim investigated and settled.

**Maunawili:** Walter Harris, delegate. Clarification on gangway security watches and clearing decks.

**Mahimahi:** Noel Itsumaru, delegate. Solid gang with Brian Burns as bosun. Meeting discussion centered on goals of contract bargaining but in the context of the loss of Joe Marusak it ranged through the occupational hazards of the seagoing life and recounted memories of the experience of death at sea.

**President Truman:** Charlie Sheldon, delegate. Clarifications on spill cleanup and breaking watches when an anchor watch is set. Awaiting yard berth in Singapore.

**APL Coral:** Roger Berioso, delegate. Time back claim in Singapore no good for work on days of neither arrival nor departure. Sailor who failed to check a single box on a medical form for MMC renewal was held up by USCG. Union intervention assisted renewal.

**APL China:** Manny Roxas, delegate. Clarification on rest/work hours. In good shape with Gus Silva running the gang.

**APL Korea:** Dennis Belmonte, delegate. Watchstanding discussion in Oakland: no beefs.

**APL Thailand:** Chris Bunheirao, delegate. Mike Henderson took a trip off as bosun.

**APL Japan:** Aaron Weibe, bosun. Supper hour may be postponed but not advanced.

**Adm. Callaghan:** Haz Idris, bosun. Company finally paid retro from September increase.

Dave Connolly

When the Union's inspiration through the workers' blood shall run

There can be no power greater anywhere beneath the sun.

Yet what force on earth is weaker than the feeble strength of one?

But the Union makes us strong.

Industrial Workers of the World (IWW) song by Ralph Chaplin (sung to the tune of *The Battle Hymn of the Republic.*)



AB and delegate and great-grandfather Bill Fisher in the *Florida Voyager* at Selby on February 19. Photo: Dave Connolly