



West Coast Sailors

Official Organ of the Sailors' Union of the Pacific

Volume LXXVI No. 11

SAN FRANCISCO, CALIFORNIA

Friday, November 22, 2013

Matson orders two new containerships

Matson Navigation Company announced on November 6, it has signed a contract to have Aker Philadelphia Shipyard build two new 3,600-TEU containerships for an aggregate price of \$418 million. The new ships will be equipped with dual fuel engines that have the ability to burn liquefied natural gas (LNG). The vessels are expected to be delivered in the third and fourth quarters of 2018.

Matson said the first of the two "Aloha Class" ships will be named after the late Senator Daniel K. Inouye (D-Hawai'i) because he was a longstanding supporter of the U.S. maritime industry and its role in supporting Hawai'i's economy.

The ships will "meet Hawai'i's future freight demands with increased cargo capacity," said Matt Cox, Matson President and CEO. "The new ships are designed to accommodate the diversified mix of cargo needed to support the state's economy and will boost our capacity for moving 45-foot containers and refrigerated cargo. The ships will also carry construction materials more effectively. Most importantly, this considerable investment underscores Matson's long-term commitment to providing Hawai'i with a strong,

reliable lifeline to and from the U.S. mainland."

Matson said the 850-foot-long vessels will be the largest Jones Act containerships ever constructed and are designed to operate at speeds in excess of 23 knots, ensuring timely delivery of goods in Hawai'i.

The company said the ships will be used to replace two existing ships in its nine vessel fleet. Matson also said the ships will be able to navigate safely into some of Hawai'i's smaller ports. The new vessels will incorporate a number of "green ship technology" features such as a fuel-efficient hull design; dual-fuel engines; environmentally safe, double-hull fuel tanks; and fresh-water ballast systems.

"These state-of-the-art advancements are important to

Hawai'i as a means to reduce fuel consumption, resulting in significant emission reductions over time in our home trade," Cox said.

Matson has done business with the Aker Philadelphia Shipyard before, with the shipyard building it four Jones Act containerships between 2003

and 2006 (*Manukai, Maunawili, Manulani, Maunalei*).

Aker Philadelphia Shipyard

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Artist's rendition of Matson Navigation Company's Aloha-Class 3,600 teu containership. PRNewsFoto/Matson, Inc.

Navy League of the United States strongly opposes changes to the Food for Peace (P.L. 480) program

Proposed changes further weaken U.S.-flag Merchant Marine, national security

The 47,000 members of the Navy League of the United States strongly opposes proposed changes to the food aid programs authorized in the farm bills, specifically H.R. 2642, the Federal Agriculture Reform and Risk Management Act of 2013, and S. 954, Agriculture Reform, Food, and Jobs Act of 2013. The Administration and some in Congress want to change Public Law 480 and send cash instead of food aid, weakening our nation's Merchant Marine and our national security. The Navy League urges the Farm Bill conferees to reject those changes.

Proposed changes will undermine the longstanding and successful Food for Peace (P.L. 480) program; instead of transporting American-grown food on American-flagged ships, the proposed changes would create a cash-transfer scheme wherein tax dollars are sent to foreign countries. This type of aid is already provided by the United

States, with more than \$11 billion devoted to programs like the Economic Support Fund, International Disaster Assistance, Development Assistance, International Financial Institutions and the Millennium Challenge Corporation.

The Food for Peace program, which the proposed language will devastate, is unique in that it provides assured access to food for the hungry while also preserving American jobs and national security. The current requirement that half of P.L. 480 cargoes are carried by reasonably priced U.S.-flag vessels provides an essential source of peacetime cargoes for the U.S. Merchant Marine.

The U.S.-flag Merchant Marine is an essential part of our national security. The Department of Defense (DOD) depends on the Merchant Marine for more than 95% of our national defense sealift needs in times of war or national emergency. The U.S.

maritime industry has played an integral role supporting our nation's military; more than 90% of all cargoes bound to and from Iraq and Afghanistan were transported on U.S.-flag ships.

The same "military useful" vessels that provide this needed resource also participate in the food aid programs under cargo preference. The Department of Defense has stated that any reductions to food aid cargoes would have to be offset to maintain readiness. Replacing this sealift capacity would cost DOD \$9 billion. Considering that the United States has less than 100 flagged ships involved in international trade and only 12,000 Merchant Mariners, even small changes can be devastating.

The Navy League recommends supporting preservation of the current structure of in-kind food donation programs. The current program assures reliable sealift resources to the Department of Defense at a low

price, preserves national security, and provides wider benefits to the U.S. including tax revenues, jobs, and savings for other programs. Cargo preference programs like Food for Peace are not an added cost to food aid as the United States Maritime Administration reimburses the cost differentials to USAID to preserve these needed capabilities and ensure that not one dollar for food aid is diverted from those that need it. More than \$1.9 billion in U.S. economic output, 40,000 jobs, and our national security are at stake.

The Navy League of the United States is a civilian nonprofit, non-partisan organization dedicated to informing the American people and their government that the United States of America is a maritime nation, and that its national defense and economic well being are dependent upon strong sea services - U.S. Navy, U.S. Marine Corps, U.S. Coast Guard and U.S.-flag Merchant Marine.

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



Legislation to honor World War II coastal mariners passes House

On November 4, the House of Representative approved a provision authored by Congressman G.K. Butterfield (D-North Carolina) that expands the list of documents accepted by the U.S. Department of Homeland Security to prove service and to grant honorary veterans status to a forgotten segment of the World War II Merchant Marine, the Coastwise Merchant Seamen. H.R. 1288, the World War II Merchant Mariner Service Act, was passed by a vote of 404-1 as part of H.R. 2189, a bill to improve the processing of disability claims by the U.S. Department of Veterans Affairs.

Specifically, the World War II Merchant Mariner Service Act directs the Secretary of Homeland Security (DHS) to accept additional documentation for verifying that an individual performed honorable service as a coastwise merchant seaman during the period beginning on December 7, 1941, and ending on December 31, 1946, for purposes of eligibility for veterans' benefits under the GI Bill Improvement Act of 1977: Requires such documentation to include Social Security Administration (SSA) records and validated testimony in the cast of the absence of Coast Guard shipping or discharge forms, ship logbooks, documents, or other official employment records; Requires the Secretary, when determining whether to recognize service allegedly performed during such period, to recognize masters of seagoing vessels or other command officers who were authorized to document an individual for purposes of hiring for or discharging from the merchant marine; Considers any service so recognized as active-duty service for purposes of veterans' burial benefits; Makes such veterans eligible for any appropriate military medals, ribbons, and decorations. Requires the Secretary to verify that an individual performed such service under honorable conditions without regard to their sex, age, or disability during the service period.

Butterfield said, "This is a special moment. For too long, the brave men and women who served their country during World War II in the Merchant Marine have gone unrecognized for their service. We have taken another step in an effort to do the right thing and honor these mariners while they are still with us."

In March, Butterfield introduced H.R. 1288 to make deserving World War II U.S. Merchant Mariners eligible for honorary veterans' status and certain veterans' benefits, and has championed the effort to recognize these mariners for the past three Congresses. H.R. 2189, with the Merchant Mariner provisions, now heads to the U.S. Senate where it will have to be passed and then signed by the President before it becomes law. On Wednesday, October 30, 2013, the Senate Veterans Affairs Committee held a legislative hearing on the companion bill by Butterfield's legislation, S.1361, introduced by Senator Christopher Murphy (D-Connecticut).

Neptune Orient's profits slide in 3rd quarter

Singapore-based Neptune Orient Line (NOL) Group on October 30, reported a third quarter net profit of \$20 million, bringing the year to date net profit to \$61 million for the first three quarters of 2013. That figure is down from the \$50 million that the NOL Group made during the third quarter last year. The company attributed the figures to its continued focus on operational efficiency and cost management.

NOL's two operating companies, American President Lines (APL) and APL Logistics, both reported core EBIT (Earnings Before Interests and Taxes) levels for the year compared to the same time period in 2012.

"This is one of the weakest peak seasons we have seen in recent years, characterized by depressed freight rates and industry over-capacity," said NOL Group CEO Ng Vat Chung. "Nevertheless, our business units delivered encouraging results. We improved our operational performance significantly from last year. Our focus on operational efficiencies is putting us in good stead for the long term."

The Group's Core EBIT during the third quarter was \$22 million, compared to a Core EBIT of \$80 million during the same quarter a year ago.

APL, NOL's container shipping business, reported a 2013 year-to-date Core EBIT improvement of 23%, from the \$168 million deficit the company posted during the first nine months of 2012. During the third quarter, APL's Core EBIT stood at \$3 million off of revenues of \$1.7 billion. That revenue figure was down 13% compared to the same quarter of year ago due to capacity management and a steep decline in freight rates.

"We are taking decisive actions to trim capacity and reconfigure our service networks to better align to the lower demand levels," said APL President Kenneth Glenn. "We continue to strengthen our competitiveness, evidenced by our ability to generate positive operating results despite a difficult market. We believe that our improved cost structure will position us well in a low growth and volatile freight rate environment."

NOL's supply chain management business, APL Logistics, maintained its third quarter Core EBIT of \$19 million, with Core EBIT margin staying steady at 5.1%, compared to the same quarter last year. APL Logistics' year-to-date Core EBIT improved 10% over the first three quarters of 2012, aided by business expansion coupled with operating efficiency and productivity growth. APL Logistics reported a 3% year-to-date improvement in revenue to \$1.2 billion compared to the same time period last year.

Former MEBA president Jesse Calhoon dies

Jesse Calhoon, President of the Marine Engineers' Beneficial Association (MEBA) from 1963 to 1985, died on October 22.

Calhoon was born in Belhaven, North Carolina, on April 4, 1923. He first shipped as a coal passer at age 16 with the National Maritime Union in 1939, and sailed throughout World War II. By 1949, Calhoon was Chief Engineer.

A force in maritime labor, Calhoon flexed his power in national politics and proved decisive in the formation and successful passage of President Richard Nixon's Merchant Marine Act of 1970. The Act provided for the construction of hundreds of U.S.-flag ships over the next decade.

Calhoon's older brother Frank was a member of the SUP from 1936 until his death in 1964.

The truth about food aid

by Tony Munoz, Publisher & Editor-in-Chief of *The Maritime Executive*.

Much has been written lately about the Obama Administration's proposal to reform food aid and turn it into a cash voucher system. Instead of purchasing food from American farmers and transporting it on U.S.-flagged ships in bags clearly labeled "From the People of the United States," the Administration would issue checks to third-party NGOs (non-governmental organizations) for the purchase and distribution of food locally.

This month, for example, *Washington Post* editorial writer Charles Lane stated in "Lessons in refining food aid from 'Captain Phillips'" that the program is filled with cronyism and simply protects the interests of American farmers and shipping companies at the expense of taxpayers and the world's hungry. Sadly, Lane's – and the Administration's – argument to reform food aid and remove American farmers and shippers from the equation falls far short of the mark.

Established by President Eisenhower in 1954 under the Agricultural Trade Development Act (P.L. 480), the program has worked remarkably well for nearly 60 years, feeding more than three billion people in 150 countries and responding to natural disasters like hurricanes and earthquakes. When President Kennedy renamed it Food for Peace in 1961, he stated that "Food is strength, and food is peace, and food is freedom, and food is a helping hand to people around the world whose good will and friendship we want."

In terms of funding, Food for Peace represents less than one-tenth of 1% of the entire federal budget – a drop in the bucket. Yet that drop has produced an ocean of goodwill around the world. In fact, one would be hard pressed to think of another government program that has paid such huge dividends in terms of saving lives and promoting America's interests abroad – and at such low cost – as Food for Peace.

Let's look at the facts. Since taking office in 2009 the Obama Administration has defunded P.L. 480 by \$1 billion a year. Today its budget is \$1.4 billion, of which 45% is already dispersed in a cash-voucher system. American farmers and flag lines participate in \$770 million of the appropriations, and U.S. shipping companies earn about \$95 million for transporting tons of food worldwide to the hungry.

That \$95 million helps support a U.S. deepwater merchant fleet that is slowly dying yet is essential to the nation's national security, transporting military materiel and troops in time of war. The U.S. merchant marine currently has only 95 ships and 12,000 deepwater mariners. These ships participate in the Maritime Security Program, which provides the Defense Department with access to billions of dollars in floating assets when needed. General William Fraser III, head of the U.S. Transportation Command, calls the U.S. Merchant Marine the "fourth arm of defense" and considers it of "critical importance to the Defense Department."

Lane further claims that "Captain Phillips" is a morality tale about the "wasteful folly of U.S. food-aid policy." It is nothing of the kind. It is a morality tale about piracy and the dangers facing seafarers of all nationalities – not just Americans – who transit certain pirate-infested waters in furtherance of international trade and the global economy. To draw conclusions about food aid policy because the *Maersk Alabama* happened to be carrying bags labeled "From the People of the United States" is itself pure folly. And for the record, no American-flagged ship has been attacked by pirates since.

Lane further states that USAID, if not saddled with the "buy-American rule" for food, could purchase it from the "cheapest, most convenient source – possibly in Africa." This is the height of disingenuousness. While the African subcontinent has a diverse ecosystem, only about 10% can be used for agriculture. There's a reason millions of people are starving in Africa – there's not enough food. It's not like you can go down to the local Safeway and purchase the goods right there and distribute them to the needy.

The world's population currently stands at seven billion, and more than one billion are starving. Most of the countries receiving food aid cannot grow enough food to feed their hungry. If you cannot purchase the food locally, you have to purchase it on the world market. It then has to be transported to where it is needed. We are back to square one.

Lane's position on the monetization of food aid is completely accurate, but he blames U.S. special interests instead of the NGOs selling the food to brokers and pocketing the cash for projects deemed more important than feeding the hungry. Yet this is exactly what will happen if we go to an all-cash system. Cash tends to disappear and, if it does, the hungry will remain that way. There will be even more corruption, more opportunity for waste, fraud and abuse in a program that has for sixty years worked remarkably well. "If it ain't broke, don't fix it." That may be a cliché, but it's a cliché for a reason: it's mainly true.

Panama Canal expansion delayed again

The Panama Canal Authority has confirmed that the consortium building the waterway's new locks has postponed completion targets by another three months. This is the second confirmed delay in the timetable for the Atlantic and Pacific locks.

The original contract called for completing their construction by October 2014, but the consortium Grupo Unidos por el Canal PC (GUPC) previously acknowledged that the locks would not be finished before April 2015 because of a six-month delay in the approval of the concrete mix.

But according to the authority's recently released third-quarter progress report, GUPC will now complete the Atlantic locks by March 31, 2015 and the Pacific locks by June 30, 2015.

The earlier delay, related to the concrete mix, had pushed back completion of the Atlantic docks to early 2015 and the Pacific locks to March 2015. Because the waterway will also require several months of testing after construction is complete, it is expected that commercial operations of the expanded waterway will not begin until the fourth quarter of 2015.

SUP Honor Roll

Voluntary contributions from the membership to the following funds:

Organization/ Political Fund

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Francis Walsh25.00

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Dues-Paying Pensioners

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Donald Cushing	Book #4777	Rich Reed	Book #3181
Romaine Dudley	Book #2593	Alex Romo	Book #3193
Diane Ferrari	Book #2251	Francisco Salvatierra	Book #7498
Knud Jensen	Book #3940	James Savage	Book #7488
Kaj E. Kristensen	Book #3120	Ralph Senter	Book #7323
Hannu Kurppa	Book #3162	David Shands	Book #7483
James K. Larsen	Book #4055	Arthur Thanash	Book #3249

Prestige captain innocent of environmental crimes

A Spanish court found the crew of the *M/V Prestige* and the Spanish Merchant Navy not guilty for criminal responsibility of the sinking of the oil tanker on November 13, 2002. It was Spain's worst environmental disaster.

The *Prestige* sank off Spain's northwestern coast and polluted thousands of miles of coastline and beaches in Spain, France and Portugal prompting Spain to close its fishing grounds for about six months. The single-hull tanker was transporting about 77,000 metric tons of heavy fuel oil.

Initially, the ship's master Apostolos Mangouras requested a place of refuge for the tanker, which had a crack in its hull. But Spanish authorities denied him sanctuary and instructed the captain to take his ship further out to sea. The French and Portuguese governments also denied the assistance as it floundered at sea.

The integrity of the single-hull quickly deteriorated, and a severe storm eventually broke the starboard hull off and subsequently spilled its cargoes. On November 19, 2002, the hull split in half and spilled its entire cargo off Spain's coast. *Prestige's* master was taken into custody for "not cooperating" with salvage crews and causing environmental damage.

After an 11-year judicial investigation, the Galician region's high court said in a verdict and sentence that the disaster was partly due to the 26-year-old tanker's poor state of repair. Spain was also unsuccessful in suing the classification society ABS for the condition of the ship.

Three judges of the Galician Spanish High Court concluded it was impossible to establish criminal responsibility and Captain Apostolos Mangouras, Chief Engineer Nikolaos Argyropoulos and the former head of Spain's Merchant Navy, Jose Luis Lopez, were found not guilty of crimes against the environment. Lopez was the only government official charged in the case. Mangouras, 78, was found guilty of a lesser charge of disobedience and given a nine month suspended sentence.

After a storm damaged one of its fuel tanks, the *Prestige* drifted for days at sea. The captain was accused of disobeying government authorities who wanted the 26-year-old tanker as far from the coast as possible. That decision was correct, the court said.

"The Spanish authorities had the correct advice to evaluate the hypothesis on whether or not the tanker should be moved away from the coast," said Chief Justice Juan Luis Pia, as he read the verdict and sentence out loud in a televised court hearing. Judges said the leak was caused by deficient maintenance which the crew did not know about.

**SUPPORT THE SUP
POLITICAL FUND**

Maritime Security Program is vital to America's economy and defense readiness

The following policy statement was passed by the Executive Committee of the Transportation Trades Department, AFL-CIO, on October 29. SUP President Gunnar Lundeberg is a member of the committee.

"Since its establishment in 1996, the Maritime Security Program (MSP) has been critically important to our U.S.-flag fleet, its workforce and our nation's defense readiness. MSP is a shining example of a federal program that promotes our national security, improves our economic activity, and creates and sustains good-paying, middle-class jobs, all while saving billions in taxpayer dollars. The effectiveness of this program was recently threatened by a funding anomaly that would have undermined the program in FY2014. Fortunately, in the recently signed Continuing Resolution (CR), Congress and the President reaffirmed their commitment to MSP by correcting this anomaly and fully funding the program. As budget negotiations for the remainder of the year continue, it is critical that Congress and the Obama Administration recognize the importance of MSP and fully fund the program.

MSP is congressionally authorized at \$186 million per year and provides the Department of Defense (DOD) with access to commercial assets—U.S.-flagged vessels, U.S. mariners, and global logistics networks—to support U.S. government sealift requirements. In fact, during the wars in Iraq and Afghanistan, the vessels enrolled in MSP carried over 90% of the DOD waterborne cargoes transported to the region. These vessels continue to provide essential direct support to American troops in support of Operation Enduring Freedom in Afghanistan, and provide immediate sealift capability when needed during an international conflict or disaster. The 60 vessels in the MSP fleet also directly support the employment of approximately 2,700 U.S. mariners and an additional 5,000 shore-side jobs.

MSP funding is not corporate welfare or a frivolous subsidy. Rather, it is a shrewd investment in our nation's military and economic security. Without the assured access to the vessels, crews and related intermodal assets that MSP provides, DOD would need to spend \$65 billion in capital logistical costs, and an additional \$9 billion in annual operating costs to fully replicate the sealift capabilities offered by the program.

The recent funding anomaly that threatened to appropriate MSP at the artificially low level of \$174 would have prevented the Maritime Administration (MARAD) from maintaining the current MSP fleet of 60 U.S.-flag vessels. Without the fix provided in the most recent CR, MarAd would have removed an initial four U.S.-flag vessels from the program, significantly reducing the sealift capability available to our military. In response to this threat, the current commander of the U.S. Transportation Command (USTRANSCOM), General William Fraser, warned in a letter to Members of the House Armed Services Seapower Subcommittee that cutting the MSP program could "degrade our current support to forces deployed overseas and likely increase transportation costs to the Government."

Fortunately the recent CR fixed this problem, and we applaud those in Congress and the Administration who continued the long-standing U.S. government policy of recognizing the importance of a strong U.S. merchant marine to our national economy and global defense network. Recent events, however, must serve as a reminder of how inconsistent government funding and brinkmanship with critical maritime programs can wreak havoc on the stability of this important sector. With another round of sequestration cuts looming, this type of irresponsible, station-to-station governance can only harm our U.S.-flag fleet and limit our defense readiness.

MSP has enjoyed full funding levels and bipartisan support throughout the years because of its proven success. No other program so clearly demonstrates the importance of the U.S.-flag fleet and its workforce to our national and economic security. Congress must continue to fully fund MSP, and promote military useful U.S.-flag commercial vessels and their good paying maritime jobs."

Prison doors stay shut for Maersk Alabama pirate

As movie audiences prepared to see actor Barkhad Abdi portray Somali pirate Abduwali Muse on the big screen, the real life Muse saw his bid to throw out his 33-year sentence dashed by a federal judge.

Judge Loretta Preska, the Chief Judge of the federal court in Manhattan, denied Muse's motion to vacate the sentence just days before last month's release of the film "Captain Phillips", in which Abdi co-stars alongside Tom Hanks.

Muse was the lone pirate to survive the U.S. Navy's rescue of the 1,068-teu *Maersk Alabama*, the U.S.-flag ship that is at the center of the Paul Greengrass-directed film.

The Somali was sentenced in February 2011 to 405 months in prison after pleading guilty to hijacking, kidnapping, hostage taking and conspiracy. He is now prisoner number 70636-054 at the medium-security federal prison in Terre Haute, Indiana.

In February last year, however, he filed papers to overturn the sentence, claiming, among other arguments, that his defense lawyer provided ineffective assistance in his case.

In a handwritten document, Muse wrote that federal defender Philip Weinstein advised the defendant that he would be charged only with hijacking one ship, rather than the three in his ultimate guilty plea.

Muse later said he did not speak English, so his guilty plea was the result of a "grave misunderstanding".

"This proposition is not supported by the record," Preska wrote, noting that both the indictment against Muse and the plea agreement were translated into Somali.

Muse signed the plea agreement in both languages, the judge said.

Judge Preska also rejected Muse's claim that his sentence should be overturned because he was only 16 upon arrest. Muse had told a detective that he was 18, and the judge said the decision not to testify in court about his age was not unilateral.

Making the case for maritime

Sean Connaughton, former MarAd Administrator and current Virginia Secretary of Transportation, was interviewed on November 6, by the Maritime Executive (MarEx) online news service on the state of the U.S. maritime industry:

MarEx: The U.S. needs a maritime policy, but the industry cannot get traction on Capitol Hill. Could a maritime industry "think tank" help in developing one?

Connaughton: For almost 100 years the United States had an integrated maritime policy which focused on economic and national security. That policy had clearly articulated and understandable objectives and accompanying federal programs to support it. Fortunately, the need for a maritime industry and a comprehensive policy was an easy sell given the United States' experiences in two world wars and the subsequent Cold War.

Unfortunately, the policies of the 20th Century are not translating well in the 21st Century. This is exacerbated by the current fiscal and political situation in Washington. The maritime industry is competing for attention and support from a federal government that seems "lost at sea" on so many important issues. This situation will only get worse given continued federal spending deficits and mounting national debt. The eventual need to address these fiscal problems by reducing and/or eliminating federal programs means that fiscal matters will drive policy instead of the other way around. Especially vulnerable will be those programs without previously existing strong policy foundations and political support.

Let's face it: there currently isn't a clear U.S. maritime policy for the 21st Century. What we do have is haphazard

adherence to policies adopted decades ago. As a result, we are at the mercy of federal decision makers with no vision or understanding of the maritime industry, its importance or the direction it needs to follow.

We need to educate, inform, and debate America's maritime future in clearly understandable and supportable terms. If we don't, the maritime industry will be left behind.

That's why a maritime think tank can make a difference. It can develop the intellectual underpinnings necessary to support a clear and comprehensive maritime policy that stimulates the economy, create jobs, and ensures national security. It can be a clearinghouse of ideas, data and policy proposals that can form the foundation for a national maritime policy for the 21st Century.

MarEx: How should the industry proceed?

Connaughton: The first step is to get stakeholder consensus behind the think tank concept. Once that is accomplished, a structure needs to be agreed to and a financial plan developed. After that, the think tank can be created and a plan for research and policy development developed.

It would also be helpful for the think tank to be affiliated with a reputable academic institution to ensure independence and provide oversight. We have done something similar in Virginia in regards to transportation public-private partnerships (P3s). Virginia has been a leader in P3s yet the policy rationale for using them is often misunderstood by the public, media and politicians. Consequently, we helped establish the Center for Transportation Public-Private Partnership Policy at George Mason University's School for Public Policy.

The Center is conducting research, publishing papers, hosting seminars, and providing information and data on P3s to the public, media and politicians. It is our hope this Center becomes the national go-to institution for P3 policy and practice. A maritime think tank can be established using a similar approach.

MarEx: DOT does not have a vision of maritime, and that's frightening.

Connaughton: This is a big problem. The main body of today's U.S. maritime policies were established in the 1930s in response to the maritime problems experienced in World War One and the challenges of the Great Depression. These policies need to be updated and reformed to address today's global and domestic realities and national security needs. This simply is not being done today at the federal level.

Another problem we face is the down grading of maritime panels in Congress. For example, less than 20 years ago the House had a full committee devoted to maritime issues. That loss of influence is exacerbated by the traditional mechanism for modifying policies in Congress through appropriations committees and authorization committees being broken. Continued resolutions and other omnibus bills means that it is getting tougher to get Congress's attention to address specific issues or develop comprehensive policy proposals. Individual members are playing a greater role in lawmaking through the "committee of the whole".

Given these realities, if industry wants a maritime policy it is going to have to assume the leadership role.

MarEx: Okay, the way we deal with Congress has changed, so how does the industry deal with government today?

Connaughton: The maritime industry is facing a "united we stand, divided we fall" moment. The system is broken and the momentum is not in its direction.

That being said, there are opportunities to alter course with a change of mindset and approach. Congress is desperate to pass meaningful legislation, particularly those that mean jobs. Developing thoughtful pieces of maritime legislation that support job growth and creation are winners, especially when accompanied with grassroots outreach and political (not partisan) campaigning. I believe the secret to success is to approach the legislative process as if it were a political campaign.

A great example are the Water Resources development bills which have passed the House and Senate. Congress is hearing from industry, state and local governments, shippers, and the public about the need for this legislation and its impact on jobs. As a result, Congress is responding positively to a policy issue that has languished for years.

MarEx: How can we do a better job?

Connaughton: It's all about jobs, jobs, jobs. Voters want jobs and politicians like to take credit for helping create jobs for voters. It is a cause-and-effect relationship that we can't ignore. The more the maritime interests can focus on job creation and growth, the more it will receive a receptive audience in Congress.

That being said, the maritime industry has a vital role in national security and the continued support of the de-

fense establishment is essential for programs such as the Maritime Security Program. However, defense programs are under stress due to the sequester cuts and the winding down of current overseas deployments. The public has grown weary of national security issues after a decade of war. Consequently, for the foreseeable future there is less public and political appetite for increased defense-related programs.

Washington has changed and the way to advance policy has changed with it. We need to adapt and develop a new approach now to preserve our maritime heritage and promote our maritime future. We have a limited window to accomplish that because the window is quickly closing.

NOAA to stop printing paper charts next year

The National Oceanic and Atmospheric Administration (NOAA) has announced that the federal government will no longer print paper nautical charts of U.S. coasts and the Great Lakes effective April 13, 2014. The agency said it will continue to provide nautical charts in a variety of forms, including full-size nautical chart PDF files, which will be offered free of charge on a trial basis for the next three months.

In an official statement, NOAA Coast Survey Marine Chart Division Chief Shep Smith said that advances in digital technologies had led the government to take this step. "Our concern is making sure that boaters, fishing vessels and commercial mariners all have the most accurate, up-to-date nautical chart that is available," he said. "Advances in digital and electronic technologies now put more accurate charts at the mariners' fingertips faster, and with less expense, than was possible years ago."

He said millions of boaters are increasingly relying on "Print on Demand" (POD) charts that are updated to the date of printing, tolerant of water and UV damage and that stand up to repeated folding, writing and erasing. The agency says NOAA POD charts meet carriage requirements for vessels required to carry marine charts under 33 CFR 164.01 and 33 CFR 164.33.

The agency also offers electronic navigational charts and raster navigational charts. The NOAA ENC is produced from a vector database of features. It supports real-time navigation as well as collision and grounding avoidance. ENCs are used by many computer navigation programs and mobile apps, as well as ECDIS. They are updated with weekly Notice to Mariners corrections and are available for free download from the Coast Survey website. The RNC is a geo-referenced digital image of the traditional paper chart, used in a variety of electronic charting systems. RNCs are updated with weekly Notice to Mariners corrections.

NOAA says it will make printable PDFs of all charts available free, on a trial basis, from October 22, 2013 to January 22, 2014. The PDFs will be up-to-date for the date they are downloaded. The agency says that "anyone can get the PDF nautical charts printed at the printer of their choice." To download any chart, go to: nauticalcharts.noaa.gov. The agency reminds those who use its charts to report discrepancies by going to nauticalcharts.noaa.gov.

Smallest-ever Social Security COLA for 2014

Next year, the millions of Social Security recipients will see the smallest cost-of-living adjustment ever —just 1.5% or about \$19 a month. If the politicians, and their billionaire friends who don't want to pay the same taxes workers do, who are pressing hard for the "chained" CPI benefit cut had their way, the adjustment would be even smaller than 2014's historic low.

Edward F. Coyle, executive director of the Alliance for Retired Americans, says, "I hope this news about next year's Social Security COLA will cause politicians in Washington to reconsider their support for the 'chained' CPI. How can anyone look at an increase of around 1.5% and think 'that's too big'?" Clearly, these politicians need to spend more time talking to seniors who are struggling. Next year's increase will be 1.5%. Imagine if it were even less. Then imagine if that smaller increase were to be compounded over time. That is the 'chained' CPI."

The "chained" CPI proposal would reduce cost-of-living adjustments for Social Security and prevent benefits from keeping up with inflation. At age 75, a senior's benefits would be cut by about \$650 per year (on average). At age 85, those benefits would be cut by about \$1,150 per year, and at age 95, by about \$1,600 per year.

Earlier this month, 51 Republican members of the House, led by Representative Reid Ribble (R-Wisconsin) signed a letter to Speaker John Boehner supporting COLA cuts, among other unspecified proposed Social Security benefit cuts, as part of the ransom demand to lift the debt ceiling.

On the other hand, Senator Tom Harkin (D-Iowa) and Representative Linda Sanchez (D-California) have introduced the Strengthening Social Security Act (S. 567 and H.R. 3118). The legislation would measure inflation not with the "chained" CPI, but with a more accurate measure of inflation for seniors (the CPI-E). It also would improve Social Security's solvency by lifting the cap on earnings subject to the Social Security tax, so that all of America's workers pay the same rate.

AFL-CIO Policy Director and Special Counsel Damon Silvers recently stated (see the October *West Coast Sailors*) that the AFL-CIO opposes any benefit cuts to Social Security, Medicare and Medicaid. "The labor movement is going to fight to the death to stop cuts to Social Security and Medicare and Medicaid. Not 'unreasonable cuts.' Not 'cuts without tax increases.' Cuts period. We're against all of them, we will fight them ferociously, and we will give no cover to any Democrat who supports them."



Matson's *Mokihana* in Oakland, November 4. From the left: SUP Delegate Emo Aulelau, Ben Tagud, Alvin Thompson, Alex Capistrano, Bosun Vern Johansen, and Steve Meyer. Photo Dave Connolly

Armed pirates hijack tanker off Malaysia

According to the International Maritime Bureau's Live Piracy Report, ten pirates armed with guns and knives boarded and hijacked a product tanker underway. They tied up all the crewmembers and held them hostage in one cabin.

Later, they commanded the Master to steer the ship to a pre-designated position. The vessel came alongside another orange hull tanker and the robbers forced the Chief Mate and the Bosun to use the cargo pumps and valves and the mooring winches.

At around 1600 local time, the robbers left the ship after transferring and stealing all the gas oil. Before leaving the ship, the assailants also stole the crew's belongings. No crewmen were injured during this incident. The hijacking took place around 7.3 nautical miles west of Pulau Kukup, Malaysia, on November 7.

Other pirate-related incidents that occurred this month:

November 6, approximately 450 nautical miles east southeast of Mombasa, Kenya: One skiff with five heavily armed pirates approached a product tanker while underway. Alarm was raised, crew alerted, fire pumps started, speed increased, evasive maneuvers made, SSAS alert activated and authorities were informed. The pirates fired at the tanker and the armed security on board returned fire. The skiff aborted the attack and moved away.

November 4, Belawan Anchorage, Indonesia: Duty crew aboard an anchored chemical tanker spotted two boats nearby. Robbers attempted to board the tanker via anchor chain but alert crew thwarted the boarding. The second boat was hidden near the propeller and the crew could not chase them away with fire hoses. The propeller was turned on resulting in the robbers moving away. The robbers were spotted with some stolen hull anodes in their boat. Port Control informed.

November 2, Sagar Anchorage, India: 15 armed robbers boarded an anchored container ship. The duty officer noticed the robbers stealing ship's stores and raised the alarm. Seeing the alert crew the robbers jumped overboard and escaped.

Port of Los Angeles offers incentives to shippers

The Los Angeles Board of Harbor Commissioners has approved an incentive program to reward shipping lines that bring new container business through the Port of Los Angeles in 2014.

Under the incentive program, an ocean carrier will earn \$5 per TEU for each incremental container it ships through the port in calendar year 2014. The rate jumps to \$15 per TEU for all TEUs if a carrier's container volume grows by 100,000 or more units during the year.

The port said the program comes "at a time when the fundamentals of shipping are changing and international carriers are rethinking traditional business practices."

The baseline for measuring the increased volume will be the total number of containers each carrier moved through the port in 2013. Carriers will receive their incentive in a lump-sum payment in early 2015. Port staff will monitor the program on a monthly basis to evaluate its effectiveness and consider whether or not to recommend its extension beyond 2014.

In the first nine months of this year, the Port of Los Angeles handled 5.85 million

containers, 5.5% fewer than in the same 2012 period, while the neighboring Port of Long Beach has seen volumes increase 13.7% to just over five million TEU.

Separately, the board also established a two-member ad hoc committee on Port Industrial and Economic Development dedicated to identifying and advancing the best economic practices for maintaining the port's top position. Vice President David Arian and Commissioner Patricia Castellanos will serve on the committee.

The port said, "While TransPacific trade is projected to grow, international shipping is undergoing sweeping change. With larger vessels and increased global shipping capacity, carriers are revisiting the traditional business model of calling at a dedicated marine terminal."

Geraldine Knatz, Executive Director of the port, said carriers are making adjustments in the challenging ocean environment. "Carriers are rethinking their routes and relationships to be as competitive as possible," she said. "This incentive gives them another reason to strengthen their ties with the Port of Los Angeles."

Mexican armed forces take over security in Pacific port

Mexican armed forces have taken charge of security in the Pacific port of Lazaro Cardenas, a major cargo hub in a part of the country struggling to contain violent drug gangs. The government said on November 4, that units of the army, navy and federal police were moving in to oversee access to and around Lazaro Cardenas, one of Mexico's principal gateways to trade with Asia on the southern flank of Michoacan state.

Michoacan has been a regular flashpoint for shootings and attacks on officials since President Enrique Pena Nieto took power 11 months ago pledging to bring an end to widespread violence stemming from warring drug cartels. Government spokesman Eduardo Sanchez said the decision to replace local police in Lazaro Cardenas was part of a series of measures aimed at restoring stability to Michoacan.

The specter of terrorism was conjured up by some security experts when various installations belonging to Mexico's state-run electricity company were temporarily knocked out in a series of attacks in Michoacan. Throughout the year, serious gunfights have broken out in the state and President Nieto himself admitted this summer that gangs had taken control of parts of Michoacan.

Among the victims of the local violence was a vice admiral killed in a road ambush in July, and a state congressman who was hacked to death with a machete in September.

Nieto's predecessor as president, Felipe Calderon, launched his military-led offensive against drug cartels in Michoacan shortly after taking office in December 2006. But Calderon could not bring the gangs to heel, and around 80,000 people have since been killed in drug-related violence.

Lazaro Cardenas handles the largest volume of general cargo of any Mexican port, according to the Mexican tax office.

Cruise ship traffic limited in Venice

Italy will immediately begin to limit large cruise ship traffic in the Venice lagoon and the biggest vessels — of more than 96,000 gross tons — will be banned from November of next year, the government said this month.

Protests by Venice residents and environmentalists concerned about the damage caused by increasing cruise ship traffic to the fragile city, one of the world's most popular tourist destinations, have been on the rise in recent years.

Prime Minister Enrico Letta met the transport and culture ministers as well as the governor of the Veneto region and the mayor of Venice, and approved plans to limit or shut down cruise ship traffic in parts of the Venice lagoon and near the city's famous Saint Mark's Square.

"Finally the trend towards gigantic ships in the lagoon has been turned around," the mayor of Venice, Giorgio Orsoni, said in a statement. "We've had enough of these mega cruise ships just

meters away from San Marco, from now on there will be clear limits on the size of ships that can enter Venice."

Concern at the risk posed by the enormous vessels has been heightened by the disaster of the *Costa Concordia*, the 114,500 ton liner which sank off the Tuscan island of Giglio in 2012, with the loss of 32 lives.

Large cruise ships will be banned from the canal between the mainland and the Giudecca island in the lagoon while a new access channel is developed with the main shipping terminal.

From January 2014, cruise ship traffic in front of the Piazza San Marco in the heart of the city, will be limited, with the number of cruise ships of more than 40,000 tons authorized to cross the Giudecca canal cut by 20% from 2012 levels.

From November next year, the largest ships of more than 96,000 tons will be banned entirely from crossing the Giudecca canal.

Somali pirates sentenced in Kenya for 2010 hijacking

Four Somali pirates were sentenced to seven years each in prison on October 23, by a Kenyan court that found them guilty of hijacking a fishing dhow in the Indian Ocean in 2010. Prosecutors told the court in Mombasa the four were armed with rocket-propelled grenades, an AK-47 rifle, a pistol and other weapons when they took control of the dhow by firing at the crew.

Although the number of attacks has fallen markedly since 2011 thanks to tougher security aboard ships and increased Western naval patrols, piracy emanating from the Horn of Africa nation may still cost the world economy about \$18 billion a year, the World Bank said in April.

The men, Abdirahman Isse Mohamed, Mohamed Osman Farah, Feisal Abdi Muse and Noor Ali Mohamed, were arrested by Spanish naval forces and handed over to Kenyan authorities, as Somalia was not considered able to try them properly. They all denied the charges of piracy. The men's lawyer, Jared Magolo, branded the sentence unfair as they had been detained for three years before the trial at a maximum security Kenyan prison and said he would seek his clients' consent to appeal.

Kenya is one of a few countries that are prosecuting pirates, alongside Seychelles and Mauritius. But the cases are notoriously difficult to prosecute and take a long time to complete. In July, nine Somalis were sentenced in Kenya to five years in prison each for attempting to hijack a German merchant vessel *MV Courier* in the Gulf of Aden in March 2009. Another nine Somalis were handed a similar sentence in June, after also being found guilty of hijacking a ship in the Gulf of Aden in 2010.

In a sign that piracy is still a threat, the European Union Naval Force for Somalia, said last month, that a fully loaded crude oil supertanker fought off and repulsed pirates off the Somali coast on October 11.

ATTEND YOUR UNION MEETINGS

ESU Office Assignments

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



NOVEMBER 2013

Official Publication of the Exxon Seamen's Union

ExxonMobil Seminar dates for 2014 (Late career pre-retirement planning course)

If you are eligible, or soon to be eligible to retire from the Company, you should consider attending a pre-retirement planning seminar that is offered by ExxonMobil. Eligibility normally means within 3 years of the minimum age to retire for the unlicensed group (50) with a minimum 15 years of service at the time you elect to retire. The classes tend to fill up quickly; some may be filled up by the time we go to print. If you are interested in attending and know the session you wish to attend, you should then notify Helen Wright at 713-656-2786 for enrollment. Limited space is available per each class so plan ahead. Below are the dates for the first six months for 2014.

Dates	Locations	Dates	Locations
Feb. 27-28	Houston, TX (800 Bell St.)	May 8-9	Houston (800 Bell St.)
March 4-5	Houston (800 Bell St.)	May 20-21	Houston (800 Bell St.)
March 5-6	Baton Rouge, LA (Marriott)	May 20-21	Baton Rouge (Marriott)
March 5-6	Clinton, NJ	May 27-28	Fairfax, VA
March 13-14	Fairfax, VA	June 9-10	Houston (800 Bell St.)
March 18-19	Houston (800 Bell St.)	June 10-11	Torrance Refinery – Torrance, CA
March 20-21	Baytown Refinery, TX	June 11-12	Clinton, NJ
March 20-21	Beaumont Civic Ctr. TX	June 12-13	Beaumont Civic Ctr.
March 26-27	Houston (800 Bell St.)	June 17-18	Houston (800 Bell St.)
April 1-2	Houston (800 Bell St.)	June 18-19	Irving, TX
April 8-9	Fairfax, VA	June 18-19	Baton Rouge (Marriott)
April 9-10	Houston (800 Bell St.)	June 23-24	Fairfax, VA
April 22-23	Beaumont Civic Ctr.	June 25-26	Houston (800 Bell St.)
April 29-30	Houston (800 Bell St.)		
May 6-7	Baytown Refinery		

ESU Executive Board & Ship Representatives



During the 2013 ESU Ship Representative Conference, in League City TX the ESU leadership takes a break for a photo opportunity. From left to right standing: Joe Butler, Ship Rep. Kodiak, John McCarthy, Board Member at Large, William Ackley, Engine Department Trustee, Thor Floreen, Ship Rep. Sierra, and Mike Harrison, Ship Rep. American Progress. Sitting left to right: Kevin Conroy, Deck Department Trustee and John Straley, President. Photo by Leo DeCastro, Vice President.

The 2013 Ship Representative Conference convened on October 14, 2013 at the South Shore Harbour hotel and Conference Center in League City, Texas and concluded on October 18, 2013.

The conference is held on a biennial basis to provide communication and training skills that will enhance the ability of the individual representatives to professionally handle the response process in regard to problems that may arise onboard his/her respective vessel. The Ship Rep. Conference is a part of the ESU effort to insure that the very best representation possible is provided to the members of the Exxon Seamen's Union.

The attendees at this year's conference are as follows: Ship Representatives Joe Butler (Kodiak), Mike Harrison (S/R American Progress) and Thor Floreen (Sierra). Executive Board members in attendance were: John Straley, Leo DeCastro, John McCarthy, Kevin Conroy, William Ackley and Kurt Kreick.

On Tuesday, October 15, SeaRiver Management's day was largely devoted to presentations by various company managers, attending for the Company was Bill Hoeler, Bill Keller, Seth Barnes, Helen Wright, Joy Bush, Marsha Shorts and Miguel A. Quiñones. Bill Hoeler provided a fleet update and gave us an update on the progress of the two new builds under construction in Philadelphia. The first ship (Liberty Bay) is expect to come out of the yard around April of 2014 with sea trials scheduled for January. The company plans on putting unlicensed crew onboard the ship about two weeks before departure from the yard. HR Manager Seth Barnes went on and talked about the Medical Open enrollment and benefit related issues. In the afternoon and the rest of the day the ESU Board and the Ship Representatives, engaged the company with questions and suggestions that they brought in from the fleet.

The remaining two days of the conference on the 16th and 17th were focused on Union business which included an overview from the Executive Board on the ESU's finances, goals/objectives, and ongoing Union issues to the Representatives. The Executive Board's session was followed by an open discussion led by Representatives designed to allow for constructive input on different issues experienced throughout the fleet with the remainder of the meeting being devoted to advance preparation for 2014 contract negotiations. An exchange of information based on feedback from the fleet took place during the conference and should be instrumental in identifying and prioritizing issues that the ESU Bargaining Committee should focus on next year. These issues were noted and will be of tremendous assistance to the Executive Board when contract negotiations begin sometime first quarter of 2014.

Union attendees met for an appreciation dinner at South Shore Grill Restaurant in League City, TX on Thursday evening to celebrate what had been an ambitious, but rewarding and successful 2013 Exxon Seamen's Union Ship Representatives Conference.

Election Reminder

The deadline is rapidly approaching for the election of ESU officers. The only position being contested is the Steward's Department Trustee position. Fleet Chef Donald Picou and Cook Joel Mitchel are both running for the position. The ESU appreciates their commitment and willingness to step forward and become part of a long tradition in representing their respective departments. Other positions (Vice President/Treasurer, Deck and Engine Trustees, Ship Representative American Progress and the new build Liberty Bay) up for election had candidates that were unopposed. As of November 14, 2013, the American Arbitration Association has received 69% of the ballots, showing that a majority of the ESU membership are participants in the voting process but there is still nearly a third that has not to voted.

There is still time to cast your ballot if you have not yet done so but everyone needs to be aware that the voting period for this election will end on December 5, at 10:00 a.m. Results will be announced later that afternoon. If you need an additional ballot, let the Union office know and we'll send you another or see your Ship Representative if you are on the ship.

At your next monthly meeting, please remind everyone to exercise his or her right as an ESU member and VOTE!

Ship reports

S/R American Progress

The vessel continues to trade between Valdez, AK to the Puget Sound area, most of the discharges have been to BP Cherry Point Refinery. Regular Ship Representative Mike Harrison aboard and keeps in touch with the ESU office and reports all is well. The vessel will continue on the same run for the near future.

Kodiak

The *Kodiak* has been on the Valdez, AK to the Puget Sound area run for the past couple of trips, but the vessel at the time of print was making a trip to Long Beach, CA to the newly renamed Tesoro 121. AB Phillip Spinaio stepping in as Temporary Ship Representative and reports everything running OK. The vessel will most likely trade between the Puget Sound area and Southern California the next couple trips.

Sierra

ESU Board officer Leo DeCastro visited the vessel in San Francisco Bay, on October 28. The ship had finished the first discharge since the trip from the Shipyard period in Singapore. The vessel then shifted to anchorage 9, where it got real busy due to the regulatory requirements for the vessel entering U.S. waters and trade, including inspections, stores and purging of any food items from Singapore, throughout the whole day and night the crew performed at the highest levels and got the job done safely and on time for the vessel to depart northbound to Valdez. Deck Trustee Kevin Conroy aboard and reports all is well.

EXXON SEAMEN'S UNION

Founded March 28, 1941

Affiliated with the Sailors' Union of the Pacific

P.O. Box 754, Seabrook, TX 77586

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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

SUMMARY ANNUAL REPORT FOR SUP MONEY PURCHASE PENSION PLAN

This is a summary of the annual report for SUP Money Purchase Pension Plan EIN 94-3134523, Plan Number 001, for the year ended December 31, 2012. The annual report has been filed with the Department of Labor, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

Basic Financial Statement

Benefits under the plan are provided by a trust fund. Plan expenses were \$1,395,470. These expenses included \$202,593 in administrative expenses and \$1,192,877 in benefits paid to participants and beneficiaries. A total of 851 persons were participants in or beneficiaries of the plan at the end of the plan year, although not all of these persons had yet earned the right to receive benefits.

The value of plan assets, after subtracting liabilities of the plan, was \$26,599,515 as of December 31, 2012, compared to \$23,827,848 as of January 1, 2012. During the plan year the plan experienced an increase in its net assets of \$2,771,667. This increase includes unrealized appreciation or depreciation in the value of plan assets; that is, the difference between the value of the Plan's assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year. The plan had total income of \$4,167,137, including employer contributions of \$1,684,858, earnings from investments of \$2,400,607 and other income of \$81,672.

Minimum Funding Standards

Enough money was contributed to the plan to keep it funded in accordance with the minimum funding standards of ERISA.

Your Rights to Additional Information

You have the right to receive a copy of the full annual report, or any part thereof, on request. The items listed below are included in that report:

1. An accountant's report;
2. Financial information and information on payments to service providers;
3. Assets held for investment; and
4. Information regarding any common or collective trusts in which the plan participates.

To obtain a copy of the full annual report, or any part thereof, write or call the office of SUP Welfare Plan Inc, who is the plan administrator, 730 Harrison Street, Suite 415, San Francisco, CA 94107, telephone (415)778-5490. The charge to cover copying costs will be \$3.25 for the full annual report, or \$0.25 per page for any part thereof.

You also have the right to receive from the plan administrator, on request and at no charge, a statement of the assets and liabilities of the plan and accompanying notes, or a statement of income and expenses of the plan and accompanying notes, or both. If you request a copy of the full annual report from the plan administrator, these two statements and accompanying notes will be included as part of that report. The charge to cover copying costs given above does not include a charge for the copying of these portions of the report because these portions are furnished without charge.

You also have the legally protected right to examine the annual report at the main office of the plan at 730 Harrison Street, Suite 415, San Francisco, CA 94107, and at the U.S. Department of Labor in Washington, D.C., or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: Public Disclosure Room, Room N-1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.

Flu shots tied to heart benefits

Getting a flu vaccine is associated with a lower risk of death in people with heart disease, a review of studies has found, and the effect is greatest in those who have had a recent heart attack or chest pain.

The review included five randomized trials that involved more than 6,400 heart patients. In all, there were 246 heart attacks and other major cardiovascular events and 97 deaths from heart disease.

For patients with stable heart disease, a flu vaccination decreased the relative risk for a cardiovascular event by 36%. For people who have had a heart attack within the last year, the effect was greater: 55% reduction in relative risk. Overall, those who were vaccinated had a 19% reduced risk of death.

The authors acknowledge that their conclusions are based on a relatively small number of cardiovascular events and deaths. At the same time, the review, which was published in the *Journal of the American Medical Association*, covered all randomized trials done on the subject, and there is no suggestion of inconsistency among them.

"People who don't like vaccines probably don't like dying from heart attacks either," said the lead author, Dr. Jacob A. Udell of the University of Toronto. "Maybe this is a good enough reason for the skeptics to go and get their flu shots."

Membership and Ratings Committee

The Committee met on November 7, 2013, and found the following members eligible for advancement in seniority and rating stamps in the various departments:

<u>Name & Membership No.</u>	<u>Seatime</u>	<u>Rating</u>	<u>Seniority</u>
Norhaslan Idris Bk. 888	6 Years	A.B.	A
Robert Zidek B19344	1 Year	A.B.	B
Julie Ortiz B19345	1 Year	A.B.	B
Paul Bennett B19346	1 Year	A.B.	B
Austin Gahan B19347	1 Year	O.S.	B
Elexir Ponce C-2414	30 Days	A.B.	C
Faith Matas C-2415	30 Days	A.B.	C

Rating Stamps - None

Membership and Ratings Committee's Report - M/S to concur in the Committee's report. Carried unanimously. Membership and Ratings Committee: Romaine Dudley #2593, Paul Fuentes #2239 and Frank Portanier #3835.

Welfare Notes November 2013

Reimbursement of Co-payments for Active Participants

Medical and dental co-payments for active participants are reimbursable by the SUP Welfare Plan. Co-payments for dependents are not reimbursable. Reimbursable co-payments must be submitted to the SUP Welfare Plan within 90 days of treatment with proper documentation: name of the provider of services, patient's name, date of services, amount of the charge, and description of service such as office visit.

Services not covered by the HMO or PPO Plan are not reimbursable.

Active Members are also eligible for a vision exam and one pair of eyeglasses (lenses and frames) once in a 24 month period. The maximum payable is \$200.00.

Reimbursement of Eligible Expenses for Pensioners

Reimbursement of eligible expenses for the Pensioners Annual Allowance must be submitted to the SUP Welfare Plan office within 90 days of the service date or the date Medicare processes the claim.

Active Members enrolled in the Health Net PPO Plan

A mailing was recently sent to all active participants enrolled in the Health Net PPO Plan. If you are enrolled in this Plan and did not receive the mailing, please contact the SUP Welfare Plan office.

Unfit For Duty & Eligibility

If you are Unfit for Duty, your eligibility for coverage may be extended; however, you must inform the Plan office of your Unfit for Duty status with documentation from your attending physician. Periodic updates of your status should be submitted if your disability continues. If you become Unfit for Duty due to injury or illness while on a ship, your employer will not automatically send the documentation of your Unfit for Duty to the Plan office. Please be sure we receive the information needed.

Check with the Plan office if you have any concerns about your eligibility and make sure you are properly enrolled for all the benefits available to you.

Michelle Chang, Administrator mcsupsiupd@sbcglobal.net

Patty Martin martinpatty59@sbcglobal.net

Virginia Briggs Claims vbriggs80@sbcglobal.net

Michael Jacyna Eligibility mjacyna67@sbcglobal.net

Training Representative Berit Eriksson 206-551-1870

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

SUMMARY ANNUAL REPORT FOR SUP 401(k) PLAN

This is a summary of the annual report for SUP 401(k) Plan, EIN 94-3134523, Plan Number 002, for the year ended December 31, 2012. The annual report has been filed with the Department of Labor, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

Basic Financial Statement

Benefits under the plan are provided by a trust (benefits are provided in whole from trust funds). Plan expenses were \$198,668. These expenses included \$94,736 in administrative expenses and \$103,932 in benefits paid to participants and beneficiaries. A total of 579 persons were participants in or beneficiaries of the plan at the end of the plan year, although not all of these persons had yet earned the right to receive benefits.

The value of plan assets, after subtracting liabilities of the plan, was \$6,132,651 at December 31, 2012, compared to \$5,148,769 as of January 1, 2012. During the plan year, the plan experienced an increase in its net assets of \$983,882. This increase includes unrealized appreciation or depreciation in the value of plan assets; that is, the difference between the value of the plan's assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year. The plan had total income of \$1,182,550, including employer contributions of \$73,483, participant contributions of \$475,985, earnings from investments of \$617,667 and other income of \$15,415.

Your Rights to Additional Information

You have the right to receive a copy of the full annual report, or any part thereof, on request. The items listed below are included in that report:

1. An accountant's report;
2. Assets held for investment;
3. Delinquent participant contributions;
4. Financial information and information on payments to service providers; and
5. Information regarding any common or collective trusts, pooled separate accounts, master trusts or 103-12 investment entities in which the plan participates.

To obtain a copy of the full annual report, or any part thereof, write or call the office of SUP 401(k) Plan, Inc., at 730 Harrison Street, Suite 415, San Francisco, California 94107, telephone (415)778-5490. The charge to cover copying costs will be \$3.50 for the full annual report, or \$0.25 per page for any part thereof.

You also have the legally protected right to examine the annual report at the main office of the plan at 730 Harrison Street, Suite 415, San Francisco, California 94107, and the U.S. Department of Labor in Washington, D.C., or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: Public Disclosure Room, Room N-1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.

Congressmen Duncan Hunter and John Garamendi on U.S. maritime policy

The Maritime Executive Magazine recently interviewed Congressman Duncan Hunter (D-California), Chairman of the House Transportation and Infrastructure Subcommittee on Coast Guard and Maritime Transportation, and Congressman John Garamendi, the Ranking Member of the Subcommittee on a wide range of maritime issues.



Rep. John Garamendi

Let's begin with the Jones Act and Cargo Preference. We are all very concerned about these issues. The sequester has already taken about 10 vessels away from us and could take a lot more in the MSP program and potentially with reform of food aid.

Garamendi: With regard to all of these programs, you start with a question: Should America be a maritime nation or not? We have 95,000 miles of coastline. So my answer is we must be. We have no choice but to be a maritime nation.

We're dependent upon it for international trade.

Garamendi: All the international trade issues, the whole economy in a large way are based upon the maritime industry. If you are talking about the steel industry, you are talking about maritime. If you are talking about agriculture, you are talking about mari-

time, inland waterways, and exports. If you are talking about Wal-Mart, Target, any of the retail stores, you are talking about maritime. Like it or not, we are a maritime nation. Are we going to be dependent on others or are we going to have our own maritime industry?

We need our own merchant marine and vessels and shipyards capable of building them.

Garamendi: I think for economic security and national security we have to be a nation that owns and operates a significant merchant marine fleet. We cannot depend upon other nations to meet our needs when there is a crisis or to provide the jobs that Americans need. Therefore, our national policies must be directed in such a way as to encourage and enhance the domestic industry.

How can this be done? Shipbuilding – if you're going to build a Navy ship, it has to be built in America. If we're going to build a ferry that's used on the inland waterways, it's got to be built in America. We must establish policies that encourage American-made vessels and the shipyards that go with them. Loan programs, subsidy programs, maybe tax incentives. There are a lot of different things that can help accomplish that.

What about crewing? We need well-trained American seafarers as well.

Garamendi: Yes, it all ties in. Now you have a ship, who is going to man it? Is it going to be American-flag or foreign-flag? American-flag ships have to be part of this equation, so what does it take to get an American-flag ship? First of all, rules and regulations and laws – do they hinder or help? We need to look at that. You can probably find some that hinder and some that help. The personnel, are there training programs and upward mobility? All of those things that have to do with training or personnel are vital – the maritime academies, the Naval Academy, those folks who cycle out of the military and have the potential of coming on the merchant side, and so forth.

Let's get back to the Jones Act. It's an essential part of all this.

Garamendi: Yes, it's all about the Jones Act. If it's American-made goods that are traveling within the United States or around the coast to go from New Orleans to Baltimore, that should be an American vessel with an American crew. If they are going from San Francisco to Hawai'i or Guam, again, American personnel. There's talk that we're going to have a military deal with the Philippines and Subic Bay is going to become not a military post but a supply depot. How's the equipment going to get there? On an American-flag or MSP or Ready Reserve or merchant vessel? It seems to me that it is an American shipping opportunity, so we need to expand the Jones Act. Right now it is specifically for Guam, Alaska, Hawai'i, the intracoastal and coastal trades, and so forth. So we need to look at new opportunities.

What about energy and the potential export of U.S.-produced LNG?

Garamendi: America is rapidly moving toward energy independence, and we do have a lot of energy exports. When LNG comes along it should be on American-made ships with American crews. So if we are going to export LNG, which I think we can only do in a very limited way because I don't want to drive up the price of energy in the U.S., it should be on American ships. There is some amount that will be shipped domestically, say from Texas to Boston. That's intercoastal. That must be American.

So those are examples of what we can do, but it takes a cohesive policy. We are a maritime nation and we are going to do the following things to encourage maritime and then we enforce that policy. Tell the Department of Energy you've got the Jones Act and you've got other cabotage requirements that are in the law and should be followed. Call the Secretary before the Transportation Committee and say: "Your predecessor did not bother to enforce the laws. Are you going to enforce the laws or not? And if you're not then tell us now so we can call you back every week and ask why you are not enforcing the laws." I think that is something we should do on the Transportation Committee. We are not just going to wait for the Department of Energy and other congressional committees to do it.

continued on page 10

How can the U.S. maritime industry create a maritime policy?

Hunter: That's Paul Jaenichen's job at MarAd. They're going to be formulating a strategy, and we're going to have to write the law that allows different government agencies to enforce cargo preference and promote the best interests of the maritime community. That's going to be difficult because there are disagreements among different segments of the industry, but that's how it has to be done because you have to demonstrate the value cargo preference brings and why you should use American-flag ships to transport taxpayer-bought goods. So that has to be a law.

John Cartner has reached out to Transportation Secretary Anthony Foxx with a 10-point plan to revitalize the industry, but there really isn't any maritime participation. The groups have been segmented for so long.

Hunter: That's why Jaenichen has to do it. He's putting it together. We're going to be able to see it too and have some input. But the problem is you have a lot of competing sectors in maritime. One group doesn't know what the other group is doing, so everybody might not like it. You have very different interests out there, so we'll wait and see what he's going to come up with, and we kind of have our own plan. But we are going to let MarAd and the various maritime interests come up with a policy and probably tear it down, fix it, talk about it, and go from there.

There's a proposal for dual-use ro/ro vessels that would be built and employed commercially but would be available to the military in time of need. DOD says they'll fund the program in 2015, and they're trying to fund it through Title XI. They're looking for somebody to bring the legislation forward.

Hunter: When it comes to the Maritime Security Program we're trying to find some synergy and some help from DOD. It's not all Transportation's responsibility. This should be part of DOD, and they have a much larger budget to close the funding gap, which is \$12 or \$14 million. That's how close we are. For DOD that's not a lot of money. For the maritime side and Transportation and Coast Guard, that's a lot of money. Different-sized budgets: \$650 billion versus \$14 billion or \$10 billion. So if we could find a way to get both of those together, it would work.

I'm on the Armed Services Committee and its Subcommittee on Seapower at the same time I'm doing Transportation, so that's what we're kind of angling for. It's cheaper for everybody. You need DOD money in Title XI. The money isn't there for Transportation. We asked for it this year but we didn't get it. We were close. It's a big factor because \$1 million in the fund equals \$10 million in loans. So it's not that expensive, but if DOD can kick in and use it for that purpose it's genius.

If you look at the food aid program, when President Obama came in it was \$2.4 billion. Now it's \$1.4 billion. Yet they want to feed more people. The math doesn't work.

Hunter: You can't do more with less. You can't cut the military and say we're going to do Syria, Libya, and we're going to extend Afghanistan and be a peacekeeper in Asia Pacific. You can't do that. And you can't feed more people with less money.

Representatives Ander Crenshaw (R-FL) and Adam Smith (D-WA) are leading a movement to change food aid to a pure cash-voucher system administered by NGOs. That would eliminate American farmers and the U.S. Merchant Marine from the equation.

Hunter: What I learned in Afghanistan is you can't just give money to Third World countries that don't have the capacity to support themselves. You have war lords, dictators, bad people running things. Or things are just kind of chaotic and it's anarchy. You can't just give them cash vouchers. You can't just say "Here's some money. Grow your own food." If we're going to do it, if we are going to grow American food and take it over there using American ships, we have to say we are American, see our U.S. hats, and hand it to them. We have to do it through USAID and other organizations and say "Here's the food, from us. We're good people. We like you and want you to be our friend too."

I don't think they're going to get as much food under a voucher system. They're going to have a lot of graft and corruption, and it's going to do much less for us in terms of impact if we do it that way. I don't know why the Administration did this all of a sudden because they could have just said "We're not going to change. You might get less money, but we're not going to change what we're doing." That would have been smarter. We're going to fight them here. There's no way they can beat us.

We can't compete with the Europeans because they have socialized health care. If you look at the Ukrainian rust buckets that deliver food, they have Asian crews and Ukrainian captains. We can't compete with that low cost, but we shouldn't have to. We have a \$5.8 trillion import/export economy, yet we have only 100 ships participating in this trade. We as an industry want to grow that deepwater fleet. The total cost of the U.S. Merchant Marine is \$180- something million for MSP and \$95 million for food aid. That's not a lot of money for the government, and it creates a lot of jobs. There are over 44,000 jobs associated with that.

continued on page 10



Rep. Duncan Hunter



SUP President's Report

November 12, 2013

MATSON NAVIGATION COMPANY

On November 6, Matson made a long-awaited announcement that the company had signed a contract with Aker Philadelphia Shipyard to build two new Aloha-Class 3,600 teu container ships for \$418 million. The 850-foot long vessels are expected to be delivered in the third and fourth quarters of 2018. The first ship will be named after the late Senator Daniel K. Inouye (D-Hawai'i), who was a true champion of the U.S. Merchant Marine.

PATRIOT CONTRACT SERVICES

As reported last month, Ocean Ships Inc. filed a protest with the Small Business Administration alleging that Patriot was not a small business and therefore not qualified to be awarded the eight Watson-class Large, Medium-Speed Roll-On/Roll-Off (LMSR) vessels by the Military Sealift Command. That protest was rejected. However, Ocean Ships, the current operator of the Watson-Class vessels, filed another protest on October 31, with the General Accounting Office, which triggered a 100-day maximum review period.

Patriot believes this protest, like the previous one, is without merit. The company advised the SUP, MFOW, SIU-Marine Cooks, MM&P and MEBA to remain ready to crew the LMSRs at any time during the 100-day period.

The Union was notified on November 9, by Patriot, that in conjunction with Schuyler Line, the companies plan to respond to a Military Sealift Command request for a proposal to operate and maintain a 900 teu vessel to support U.S. Air Force operations in the Western Pacific.

The SUP, MFOW, SIU-Marine Cooks and Patriot will work to formulate a competitive bid.

TRANSPORTATION TRADES DEPARTMENT, AFL-CIO

As a vice president of the Transportation Trades Department (TTD), AFL-CIO, attended and participated in an Executive Committee meeting on October 29, in Washington, D.C.

The Committee took action on a variety of issues important to transportation workers, including a policy statement on the importance of the Maritime Security Program. That statement will be published in this month's *West Coast Sailors*.

Hunter — continued from page 9

Hunter: Industrial-based sea power and the ability to make ships and have ship drivers and ship crews when you need them are essential. You always need them. We always have emergencies. You can tell the way a nation goes by the strength of its navy and merchant fleet. It's been that way for thousands of years. The decline of nations matches the decline of their navies and their ability to support their own populations and to travel safely through the oceans and reach out and touch people in other lands. I don't think the President understands the significance or importance of maritime as a cornerstone of the nation's strength. I just don't think he gets it.

He doesn't. No funding for Title XI. No maritime policy. And going after food aid and our deepwater fleet.

Hunter: This crosses over with Navy shipbuilding too because NASSCO, with the defense cuts that have taken place, was able to get commercial contracts for six new product tankers to help take up the slack. That really helped them because otherwise when you have a big trough with no military contracts you have to start laying off workers. If you have the ability to build commercial ships, it all works together. There's a saying I use all the time: "Whoever controls the ocean controls the world." And it's been true for thousands of years and will be true in the future.

Speakers included Congressman Frank LoBiondo (R-New Jersey), a member of the House Armed Services and Transportation Infrastructure Committees. LoBiondo spoke forcefully regarding maintaining the Food for Peace program and its importance to the American Merchant Marine. Congressman Nick Rahall (D-West Virginia), the Ranking Member of the Transportation & Infrastructure Committee also spoke. Like LoBiondo, Rahall is a strong supporter and advocate for the U.S. Merchant Marine; and Secretary of Transportation Anthony Foxx who voiced the Obama Administration's support for the Maritime Security Program.

SUP MONEY PURCHASE PENSION & 401(k) PLANS

The SUP Money Purchase Pension Plan and the SUP 401(k) Plan currently hold a series of investment options named the T. Rowe Price Target Date Advisor funds. Target date funds are mutual funds designed to adjust investment risk in accordance with a Plan participant's age as it changes over time. The current options run from the T. Rowe Price Target Date 2010 fund through the T. Rowe Price Target Date 2050 fund.

In recognition of younger participants entering the Plans, the Trustees have decided to add an additional fund effective January 2014: T. Rowe Price Target Date 2055.

HOLIDAY BENEFIT

For the 24th year, the SUP and MFOW will cosponsor a holiday lunch for participants of the respective Union Welfare Plans and invited guests.

As approved by the Union and employer Trustees of both Plans, the cost of catering the lunch is prorated by the number of participants in each Plan. The following are the dates and times of the benefit:

Seattle: Saturday, December 7, from 11:00 A.M. to 2:00 P.M. at the Leif Erikson Hall in Ballard (2245 57th Street, N.W.)

Honolulu: Sunday, December 8, from 11:00 A.M. to 3:00 P.M. at the Union hall.

Wilmington: Saturday, December 14, from 11:30 A.M. to 3:00 P.M. at the Union hall.

San Francisco: Friday, December 20, from 11:30 A.M. to 2:30 P.M. at

SUP Headquarters, 450 Harrison Street.

HOLIDAYS

Thanksgiving Day

All SUP halls will be closed on Thursday, November 28, in observance of Thanksgiving.

Christmas Day

SUP halls in Seattle, San Francisco and Wilmington, will be closed on Christmas Eve, Tuesday, December 24. Christmas Eve is a mainland ILWU holiday and therefore, a recognized holiday under the SUP agreements with APL and Matson. It is a holiday for vessels in Pacific Coast ports on that day and for those working under the shore side maintenance agreements.

Christmas Eve is not an ILWU holiday in Hawai'i, however, the Honolulu Branch will close at noon.

Christmas Eve is also an ILA holiday and is therefore applicable to APL vessels in East Coast ports.

All SUP halls will be closed on Christmas Day, Wednesday, December 25.

New Year's Day

All SUP halls in Seattle, San Francisco and Wilmington, will be closed on New Year's Eve, Tuesday, December 31, an ILWU and ILA holiday. New Year's Eve is not an ILWU holiday in Hawai'i, however, the Honolulu Branch will close at noon.

All SUP halls will be closed on New Year's Day, Wednesday, January 1, 2014.

ACTION TAKEN

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

Gunnar Lundeberg

Garamendi — continued from page 9

What we really need is a coherent maritime policy.

Garamendi: This is a challenge and wherever I go I tell people we need a maritime policy. We need to pull all these disparate pieces together and write a maritime policy for the U.S. so there is clarity and continuity and uniformity of purpose. I'd like to work with Chairman Hunter to accomplish that. I think we can do it. A lot of the pieces are already there, and at a maritime roundtable in Oakland last month I invited industry participation: Write it for me. The unions, you want to write the labor piece of this. Educators – write the education part. Shipbuilders, you write your version. Each of you has an interest here. You know what the policy should be. Write it. Put it on the table. We'll hold the hearings and we'll make a policy out of it. We can eventually figure it out ourselves, but the pride of authorship ought to be with the industry.

Sometimes the industry can't agree among themselves.

Garamendi: There are going to be people pushing back and tug of wars in the industry, but draft the preamble to it. Send it over here. Here's the workforce preparation piece or the maritime academies piece and so forth. Here's the role of P.L. 480. Put that in there. It's part of American policy. It has humanitarian purposes and is also part of the maritime structure of the U.S.

I'd also like to do a hearing on the cash vs. food issue. I think that if we really got into it we'd find that cash is no cheaper and has a lot more potential for fraud. I know they say, "Well, the food you send out there, someone is going to divert it from the market." And I say, "Yes, but they got the food. On the other hand, you send cash, the same thing is going to happen. Guarantee it. But they're not going to have the food, they're going to have the cash. Where's it going to be used and what is it going to be used for?"

Migrants smuggled from Indonesia to Oz in containers

Smugglers working out of Indonesia have been reportedly found to be transporting migrants to Australia packed in containers.

Secret audio recordings obtained by the *Sydney Morning Herald* also revealed that the smugglers are telling migrants that New Zealand was a better option than Australia as a destination. People risk drowning being smuggled by boat, but migrants opting for containers, risk suffocation and dehydration. Still, smugglers called the container carrier operations "cruise ship option", the newspaper reported.

Asylum seekers in Cisarua, on the island of Java, confirmed that smugglers have all offered the boxship option to Darwin or New Zealand for \$8,000-\$14,000 per person, the report added. The migrants would depart from ports in Bali, Kendari in Sulawesi or West Papua. One smuggler promised that passengers will spend just nine hours inside the container before it is opened, allowing them to roam the deck.

"To the spread of our trade in peace and the defense of our flag in war, a great and prosperous merchant marine is indispensable."

President Theodore Roosevelt

Norwegian firm explores Alaska transshipment port

Tschudi Shipping Company, one of the oldest shipping firms in Norway, will begin exploring the possibility of establishing a transshipment port in western Alaska, Lt. Governor Mead Treadwell said.

Treadwell, who leads the state's work with the eight-nation Arctic Council, applauded Tschudi's decision, saying it is a tremendous step toward developing Alaska's economic opportunities related to Arctic shipping.

Tschudi Shipping Company is owned and operated by the fourth generation of the Tschudi family and operates shipping, offshore and logistics worldwide with particular focus on east-west cargo flows between Northwest Europe, Central Asia and Russia including logistics in the Norwegian and Russian Arctic.

Tschudi wants to establish a location to serve as an intermediate or transshipment site for goods and commodities shipped to and from Scandinavia and Europe via its port facilities in Kirkenes, Norway along Russia's Northern Sea Route and through the Bering Strait bound for Pacific U.S., Alaska or Far East ports.

"Felix Tschudi understands the strategic position of Alaska and the practical value of this new ocean that's opening as ice recedes," Treadwell said. "We've long known that ports in western Alaska, including Adak and Dutch Harbor, offer a valuable global location with links to TransPacific routes. As we look to develop our Arctic economy, we believe this opportunity to link ports in Europe on TransAtlantic routes to ports in Alaska will be an important first step."

Tschudi, the CEO of Tschudi Shipping Co. and co-founder of the Center for High North Logistics, a non-profit research foundation focusing on transportation solutions in the Arctic, agreed. "We are pleased that Alaska sees the economic value of this kind of collaboration, and we will be working to study all possibilities and options in the coming months."

Discussions with Tschudi began several weeks ago in Iceland and continued this month during a two-day workshop organized by the University of Alaska Fairbanks (UAF) and the Institute of the North in cooperation with the Norwegian Embassy in Washington and the Center for High North Logistics to explore shipping opportunities.

The workshop was part of an ongoing study being conducted by UAF for the Alaska Department of Commerce, Community and Economic Development (DCCED) to look at the economic opportunities and impacts that could accrue to Alaska from Arctic shipping. Presenters included U.S. Army Corp of Engineers on plans for a deep-draft port at Port Clarence and Nome, experts in Arctic ice conditions, planners examining the rail and road links from Nome/Port Clarence to Fairbanks, and those with experience in shipping along Russia's Northern Sea Route.

Treadwell said the collaboration on a potential Alaska transshipment port location is a direct result of the Dept. of Commerce effort. The Commerce/UAF study will help Alaska present its case, as ports in Japan and Russia could serve the same purpose.

Treadwell said Tschudi joins other European ports in Norway, Iceland, and Germany that have expressed an interest in cooperation with Alaska ports. Alaska also is working closely with its northern neighbors through the Arctic Council to improve the shipping safety in the Arctic.

"Western Alaska ports, including the deep-draft ports proposed for Port Clarence and Nome, may be at the same point in our economic history that the Anchorage and Fairbanks airports were in the 1950s at the dawn of the jet age. Regular Arctic shipping is coming just as polar aviation came in the last generation," Treadwell said. "Our strategic position in the air cargo world supplies tens of thousands of jobs here today, and trans-polar shipping may have similar potential in the next 50 years."

The UAF/Commerce study will continue to examine how to ensure safe, secure and reliable shipping to prevent oil spills and protect coastal communities, fishing, and hunting, how to reduce energy costs for Alaskans, how to increase the export of Alaska resources, and, how to create more jobs for Alaskans.



Things are going great! Happy SUP Gang! Arrival Honolulu. SUP Delegate Rhonda Benoit, Joe Ginez, Rick Goen, Mike Orosz, David Purganan, Bosun Nick Hoogendam.

Vice President's Report

November 2013

Basic Safety Training Information

The 2010 Manila Amendments to STCW, which took initial effect on January 1, 2012, and which will reach full implementation on January 1, 2017, changed among other things the certification requirements around Basic Safety Training (BST). The amended Code now requires refresher training to certain portions of BST through assessments of competence conducted in approved training ashore. The two parts that need refresher competency assessments are Personal Survival Techniques and Fire Prevention and Firefighting. Personal Survival Techniques include the donning and use of an immersion suit, jumping into the water and righting a liferaft, swimming while wearing a lifejacket and keeping afloat without a lifejacket. Fire Prevention and Firefighting includes using various types of fire extinguishers, fighting small and large fires using jet and spray nozzles, foam, etc., and fighting fires in smoke-filled enclosed spaces, among other things. The Coast Guard is not requiring that all mariners meet this competency requirement at this time, except on expiration of a credential and/or after January 1, 2017. But the membership is advised again that in the future continuing competency in BST will not be demonstrated solely by presenting discharges documenting the rolling one year of service in the last five years. At the same time the notion of continuing competency does not disappear since the Coast Guard will allow the refresher course only for mariners who can also show service of one year in the last five at the time of renewal of the Merchant Mariner Credential. Then, as long as the credential is valid so is the BST. If a mariner cannot show one year of service in the last five at the time of renewal, then the refresher is not an option and the full blown BST will be required.

Mahimahi: Chris Bujnowski, delegate. In good shape in Oakland. Next trip in member had a dental emergency that was treated at clinic and returned to ship fit for duty. Crew lounge upgrade appreciated.

Florida Voyager: Bryan Short, delegate. Watchstanding grievance taken to Step 2. A reliable watch schedule on coastwise tankers are critical to the health and safety of sailors. The two man watch at Chevron has been the mainstay of our Agreement since the early '70's when it was changed from a three-man watch. We agreed to test a one-man watch for this ship while not in cargo operations and engaged in a long sea passage to a foreign shipyard. We disagreed when the one-man watch was reset after loading in Hawaii. Company now considering the Union's reasonable no-cost remedy.

APL Belgium: Mark Relajo, delegate. Clarification on delayed sailing delayed due to insufficient information. VPDSO credentials and policy explained.

Maunawili: Phil Howell, delegate. Clarification on new health care self-payment for out-of-area participation in the Health Net PPO: 25% of premium cost self-payments not reimbursable.

Mokihana: Emo Aulelana, delegate. In at Oakland with no problems.

APL Agate: Norm Christianson, bosun. Call from the bosun in Thailand indicates most things okay. Discussion on watchstanding arrangement, security watches, stores. Expect to make this ship in New Jersey near Thanksgiving.

Foss Maritime Company: JD Rymel, delegate. Implementation of day/night rotation for tankermen assigned to barge 35-1 to begin this month. Working exclusively at night is a matter of health and safety, and this change was initiated at the request of the disadvantaged members. Rotation is (or could be) a feature of the schedule on all other watches and barges. The Union delayed implementation since August while making counter-proposals (regular manning, alternative schedule) that were considered but ultimately rejected by management. Finally, the Union declined to pursue a grievance on the matter since the Agreement gives support to such scheduling in Sections 22.01 and 31.04. Kudos to Eric Partika and Ed Chilbert who were never opposed to working nights and were always in favor of helping out their brother tankermen.

Dave Connolly

Underwater tunnel connects Europe, Asia

Turkey has opened an underwater railway tunnel linking Europe and Asia, and the two sides of Istanbul, realizing a plan initially proposed by an Ottoman sultan about 150 years ago.

The Marmaray tunnel runs under the Bosphorus, the strait that connects the Black Sea to the Sea of Marmara and divides Istanbul between Asia and Europe. The tunnel is 8.5 miles long, including an underwater stretch of 4,593 feet.

Officials hope that with up to 1.5 million passengers a day, the tunnel will ease some of Istanbul's chronic traffic, particularly over the two bridges linking the two sides of the city. A more distant dream is that the tunnel may become part of a new train route for rail travel between Western Europe and China.

The underwater portion of the tunnel wasn't dug, but was dropped in sections to the sea bottom—the immersed-tube method used around the world. Turkish officials say that at more than 180-foot deep, it is the world's deepest railway tunnel of its type.

Started in 2005 and scheduled to be completed in four years, the project was delayed by important archaeological finds, including a 4th century Byzantine port, as builders began digging under the city.

Rejecting any fears that the tunnel could be vulnerable to earthquakes in a region of high seismic activity, Turkish Transportation Minister Binali Yildirim said that it is designed to withstand a 9.0-magnitude quake. He calls it "the safest place in Istanbul."

The tube sections are joined by flexible joints that can withstand shocks.

Ottoman Sultan Abdulmejid is said to have proposed the idea of a tunnel under the Bosphorus about a century and a half ago.

Japan's Seikan tunnel linking the Japanese islands of Honshu and Hokkaido is the world's deepest, getting 460 feet below the seabed and 790 feet below sea level.

**Thanksgiving greetings to all hands
at sea and ashore**

SUP Branch Reports

Seattle

October 21, 2014

Shipped during the period: 3 Boat-swains dispatched and filled with one A-card and two B-cards. The A shipped to a Matson relief and the B's went to Patriot bottoms; 5 Able Seaman jobs shipped and filled with 2 A-card returns, 1 B-card and 2 registrants to "gray-ship" bottoms; 8 standbys to 1 A-card and 5 B-cards and 2 registrants.

Registered: 5 A cards for a total of 21; 8 B cards for a total of 25; and 1 C cards for a total of 9.

Ships checked

Matson vessels *MV Manoa* and *SS Maui* called twice in Seattle with little or no problems. The APL vessels *APL Pearl* and *APL Coral* and along with the Patriot vessels *USNS Shugart*, *USNS Martin* and *USNS Gordon* all called Seattle for SUP/MFU crew replacements.

I represented the SUP at the following meetings: The King County Labor Council Executive Board meeting; the Alaska Way Viaduct Replacement Stakeholders meeting; a Seattle waterfront strategy meeting with the Labor Council; and a meeting with United Way officials on how they may serve labors' retirees. This organization has many levels of help for the elderly including free help with tax preparation.

Please notify your Union headquarters of address, phone, and email changes. You must also notify the companies you have worked for during this last tax period if you have changed addresses so that your W-2 statements will be sent to the correct address.

The SUP/SUP Holiday Party will be held on Saturday, December 7, from 1100 hours to 1400 hours at the Leif Erikson Hall, 2245 N.W. 57th Street, Ballard, Seattle. All members' family and friends are welcome.

The Seattle membership wishes our members aboard our ships, those of us ashore, and our women and men in uniform serving in harm's way a most joyous Holiday Season.

Vince O'Halloran, Branch Agent



Lourdes Macias, who just got off the *APL Pearl* as STOS, was out getting signatures to stop developers from moving the San Pedro Maritime Museum out of the ferry terminal on October 15, when she met Laurent Courtois, professional Galaxy soccer player. He signed the petition and gave Lourdes tickets for that night's game. Photo: Hector Munos

Wilmington

October 21, 2014

Shipping during the period: Bosun: 3, AB: 11, AB Maint: 8 and standby: 69. Total jobs shipped: 92.

Registrations: A: 32, B: 30, C: 14 and D: 8.

Ships visited

Mahimahi, *Matsonia*, *APL Korea*, *Manulani*, *APL Thailand*, *Mahimahi*, *Maunawili*, *APL China* (Captain called to say Bosun Gary and gang and Bosun Bert and gang did a great job on their COI), *Maunalei*, *APL Philippines* (Delegate Jimmy Alarcon brought in a clean ship and turned over the sheets to Gus Silva), *Mokihana* (second mate needs charm school), *R.J. Pfeiffer*.

On September 16, Eli Wegger and I attended the L.A. County Federation of Labor Delegates Meeting. Eli went to the mike and spoke to the delegates about keeping the Maritime Museum where it is –the Old Ferry Building– and not letting developers move it. After the meeting, over 70 of the delegates signed our petition.

On September 24, several of us from SUP and MFOW attended the annual Public L.A. Waterfront Update –Port of Los Angeles (POLA) Meeting at the Crowne Plaza Hotel in San Pedro. Executive Director, Geraldine Knatz, updated us on San Pedro and Wilmington Waterfront Projects. Of course, our main concern was the moving of the Maritime Museum. SUP sailors, Eli Wegger and Robert Mintz, both took the mike and spoke up against this idea. Dr. Knatz seemed not to know about the proposal to add the Museum to the Ports O Call

Redevelopment and said it was not in the plans. We shall keep an eye on this.

Eli and I also went to a Northwest Neighborhood Council Meeting and a meeting about a new Labor Museum for the Port of Los Angeles both times speaking up against moving the museum.

Eli and several volunteers from both the SUP and MFOW have collected over 4,500 signatures on petitions to stop these rich developers from moving the Museum.

On October 10, attended the monthly Maritime Trades Department meeting.

If you don't have your VPDSO Endorsement, talk to your agent. Everyone needs this by January 1, 2014.

Mark Hurley
Branch Agent

Honolulu

October 21, 2014

Shipped the following jobs in the month of October: 1 Bosun relief, 2 AB Day steady, 3 AB Watch relief, 1 AB Watch return, and 1 AB Maint steady. The shipping jobs were filled by 5 A cards, and 3 B cards. Shipped 23 standby jobs. The standby jobs were filled by 5 A cards, 6 B cards, 10 C cards, 1 D card, and 1 MFOW member.

Registered in October: 6 A cards, 5 B cards, 1 C cards and 2 D cards. To date totaled registered: 9 A cards, 11 B cards, 11 C cards, 4 D cards.

Ships checked

I visited the *Manukai*, *Maunawili*, *Maunalei*, *Manulani*, *R.J. Pfeiffer*, *Manoa*, *Maui*, *Mokihana*, *Mahimahi*, and the Paint and Rigging gang. All are running

with few or no beefs.

The SUP-MFOW Honolulu holiday luncheon will be held on December 8, at the Union hall. That is a Sunday. It will be just like the last couple of years. We will open at 11:00 A.M., we will start serving lunch at 12:00 noon and go until 3:00 P.M. All members and retirees and their families are welcome and encouraged to attend. It is a good chance to see some old friends and catch up on new times.

I'm hope everyone has a great Thanksgiving.

Mahalo,
Michael Dirksen
Branch Agent

Dispatcher's Report Headquarters—Oct. 2013

Deck	
Bosun	0
Carpenter	0
MM	10
AB	10
OS	2
Standby: SF/NY	22
Total Deck Jobs Shipped	44
Total Deck B, C, D Shipped	15
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.	44
Total B, C, D Shipped-All Depts.	20
Total Registered "A"	32
Total Registered "B"	25
Total Registered "C"	20
Total Registered "D"	43

Pirates who picked the wrong ship sentenced

Six men have been convicted of piracy for an attack on a Spanish warship. The Somali suspects were convicted in Madrid of trying to board the Spanish Navy 10,300dwt tanker/supply ship *Patino* off Somalia in January 2012, the BBC reported.

The ringleader, Hamoud Elfaf Mahou, was sentenced on October 30, to 12.5 years in prison, while the other five men all received eight-year sentences for piracy and possession of arms, the BBC said. Mahou was also found to have belonged to a criminal organization.

They had denied being pirates and told the court they were fishermen who had approached the navy supply ship in their skiff for help. But the court heard the Somalis were armed with AK-7 assault rifles and grenades and fired at *Patino's* superstructure. There followed an exchange of fire that lasted about two minutes, prosecutors said. The suspects surrendered after being pursued by a military helicopter.

