



West Coast Sailors

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Friday, September 19, 2003

NO on the Recall—Yes on Bustamante

California labor movement united in opposition to the ouster of Governor Gray Davis

At a Special Convention of the California Labor Federation in Manhattan Beach on August 26, 539 delegates representing two million organized workers, voted unanimously to reaffirm labor's position for a strong NO vote on the recall of Governor Gray Davis, slated for October 7.

After the vote, delegates were joined at the Convention by Governor Davis, who came to thank the Federation for helping lead the Stop-the-Recall campaign. Surrounded by cheering and chanting union members, Davis told the Convention, "I am very proud that organized labor and working people are standing with my efforts to fight the recall." The Governor told the crowd, "The people on this stage are fighting for everyone who works in this State to advance the quality of our life. I'm proud to stand with them. And with their help, we'll stand to-

gether for the next three-and-a-half years."

Union delegates also voted to recommend Lieutenant Governor Cruz Bustamante on the second half of the recall vote. According to Art Pulaski, the Federation's Executive Secretary-Treasurer, Bustamante will help boost anti-recall turnout, particularly among Latino votes and ensure that the recall is soundly defeated.

"Each day that his campaign goes on, we become more and more convinced that this recall is going to go down with rejection by the voters of the state of California," Pulaski said.

The Federation and its affiliates have pledged to devote resources and money to the No-on-Recall campaign, including an extensive direct-mail program, three million phone calls to voters and 700,000 one-on-one conversations with Union members—culminating with a

massive get-out-the-vote effort.

The recall effort was initiated by anti-Union Congressman Darrell Issa, who contributed \$1.7 million of his personal fortune. Unwilling to accept the will of the voters who elected Davis last November, Issa and his right-wing cronies plotted to not only unseat Davis but to undo four years of legislative gains for working people including the restoration of overtime after eight hours work, paid family leave and increased Unemployment Insurance and Workers' Compensation benefits.

The recall is a two-part ballot, where voters may choose "yes" or "no" to recall Governor Davis; then they may select from a list of 135 candidates (including Lt. Governor Cruz Bustamante). It is permissible to vote "no" on the recall and still select one of the replacement candidates.

If a majority of the voters chooses to recall Governor Davis, the replacement candidate

who receives the most votes becomes Governor. If the NO on Recall has the majority, the replacement vote is meaningless.

Delegates to the State Federation also recommended a NO vote on Proposition 54, but took no position on Proposition 53.

Recall election in limbo

The recall election slated for October 7 was postponed by a three-judge panel of the U.S. Court of Appeals for the Ninth Circuit in San Francisco on September 15.

The jurists ruled that the vote must be delayed because some California counties planned to use error-prone punch-card systems like those that contributed to the 2000 Florida debacle.

The full Federal Appeals Court stated on September 16, said that it would like to reexamine the panel's decision. As the *West Coast Sailors* goes to press, the full court is asking for arguments from all parties on whether the issue should be reheard.

The California Secretary of State and the pro-recall faction has urged the court to set aside the ruling, while the American Civil Liberties Union said that a rehearing would be a waste of time since a U.S. Supreme Court appeal is inevitable.

Art Pulaski, Executive Secretary-Treasurer of the California Labor Federation, warned No on Recall organizers not to let up. "We expect that this decision will be appealed. We must be vigilant in our efforts to defeat the recall," said Pulaski. "Pro-recall forces are using this court ruling as an opportunity to bring in million of dollars and strengthen their efforts to override democracy. Our efforts to educate voters in California of the dangers of the recall need to be stronger than ever now."

Hawai'i Congressman blasted for anti-Jones Act legislation

Alexander & Baldwin CEO cites benefits of American cabotage

As reported in last month's *West Coast Sailors*, Representative Ed Case (D-HI) intro-

duced three bills in July in the House of Representatives that would amend or repeal the Jones Act provisions of the Merchant Marine Act of 1920.

Case, a rookie congressman who represents Hawai'i's Second District, has thus far garnered zero support from his colleagues in Washington.

In response to Case's misguided legislative initiative, Allen Doane, President and CEO of Alexander & Baldwin—Matson Navigation Company's corporate parent—sent a letter to the Congressman on August 28 refuting Case's anti-Jones Act arguments and citing the many benefits of U.S. cabotage.

The following are excerpts of Doane's letter:

Costs of Jones Act Greatly Exaggerated

First of all, one of the core

arguments that you have made for your proposals is the claim that repealing or amending the Jones Act would result in an enormous financial benefit to all of Hawai'i's businesses and residents. We strongly contest this assertion. Perhaps you are basing your position on figures that have been cited in the past which, as we have expressed to you, are not based on credible data. One report stated that the Jones Act costs the state of Hawai'i as much as \$600 million annually. Another suggests that the citizens of Hawai'i would enjoy savings of \$1000 per person per year if the Jones Act were to be eliminated. Estimates like these simply defy logic. In 2002, Matson Navigation Company's ocean transportation revenue was \$687 million and its operating profit was \$42 million. In order to achieve savings of the magnitude put forth by these Jones Act opponents, Matson and its competitors

would need to carry Hawai'i's cargo for virtually free.

While it is true that U.S.-flag carriers have higher operating costs than foreign-flag operators, these cost differentials have been vastly overstated. For example, in Matson's case, the main elements of expense that would be higher than a potential foreign-flagged competitor are vessel crew costs and depreciation (which is a direct reflection of the higher construction cost of ships built in the U.S. versus in foreign shipyards). First of all, these are all costs that end up as wages in the pockets of U.S. citizens, rather than foreigners. But more importantly, these costs together account for less than 20 percent of Matson's total costs. I hope and believe that you may have formed your early opinions of the Jones Act based on the old transportation model when vessel-related costs dominated the equation. That is simply no

longer the case in our industry. Every other cost that Matson incurs would be the same for a foreign-flag operator—cost of fuel, stores, containers, machinery, vessel loading and discharge, customer service, computer tracking systems, local pickup and delivery, insurance, or overland transportation. Thus, the bulk of the costs of shipping are not impacted by the Jones Act and would be the same for all shipping companies, U.S. or foreign, so it is unlikely that the State's shipping costs would be dramatically reduced by the entry of a foreign-flagged "low cost carrier" into the Hawai'i trade. On the aggressive assumption that a foreign interest can reduce these Jones Act-influenced costs by half, the result is a 10 percent overall reduction in total transportation costs, which may or may not be

Jones Act legislation

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 Joseph Napier Book #2299
 John Perez Book #3810
 Ralph Senter Book #7323

Final Departures

Jake Piel, Book No. 2930. Born in Michigan in 1917. Joined SUP in 1937. Died in Seattle, Washington, August 11, 2003. (Pensioner)

Vaughn E. Goodman, Book No. 2992. Born in Missouri in 1927. Joined SUP in 1966. Died in Las Vegas, Nevada, August 8, 2003. (Pensioner)

Bradford G. Templeman, Book No. 2045. Born in California in 1912. Joined SUP in 1943. Died in California, August 14, 2003. (Pensioner)

Donald B. Dayrel, Book No. 1764. Born in California in 1913. Joined SUP in 1934. Died in Renton, Washington, August 16, 2003. (Pensioner)

Mike Orosz, Book No. 2165. Born in Pennsylvania in 1918. Joined SUP in 1943. Died in Aberdeen, Washington, May 29, 2003. (Pensioner)

Jacob Bean, Book No. 5186. Born in Poland in 1921. Joined SUP in 1946. Died in Florida, August 30, 2003. (Pensioner)

Robert E. Brown, Book No. 5101. Born in Colorado in 1926. Joined SUP in 1946. Died in Lakeport, California, August 29, 2003. (Pensioner)

SUP Meetings

These are the dates for the regularly scheduled SUP meetings in 2003:

	Hdqs.	Branch
October	14*	20
November	10	17
December	8	15

*Tuesday

Matson increases fuel surcharge 1%

Due to dramatic increases in fuel prices, Matson Navigation Company, announced, September 3, that it is raising its fuel surcharge from 6.5 to 7.5 percent in its Hawai'i and Guam services effective September 15, 2003.

"As anyone who drives a car is well aware, fuel prices have been rising steadily in recent months," said Dave Hoppes, vice president, ocean services. "For transportation companies, the costs are especially significant. Matson burns approximately 1.9 million barrels of fuel annually. For every dollar increase per barrel of bunker fuel, Matson experiences an approximate \$1.9 million increase in annual operating costs. We cannot continue to absorb these additional fuel-related operating costs. We will continue to monitor fuel costs and adjust the surcharge accordingly."

Historically, Matson has adjusted its fuel surcharges up or down based on established trends in oil prices. In May 2003, Matson lowered its fuel surcharge from 7.5 to 6.5 percent, based on a downward trend in fuel prices.

Australian sheep still at sea

The fate of more than 50,000 Australian sheep hangs in the balance following unconfirmed reports that Pakistan has now refused to accept the shipment being carried on the *Cormo Express*. The ship departed from Australia on August 5, arriving three weeks later in Jeddah, where the consignment was rejected on quarantine grounds—a reason hotly disputed by Australian livestock exporters. Authorities in the United Arab Emirates (UAE) subsequently refused the shipment.

With the animals now at sea for six

weeks, twice the expected duration, the Royal SPCA in Australia on September 17, called for far greater regulation of the country's livestock trade and warned that similar incidents would follow unless rules are tightened along the transport chain.

As the *West Coast Sailors* went to press, industry sources indicate that the *Cormo Express* is either in the Middle East Gulf or the Gulf of Oman, and is believed to be carrying about 53,000 animals, 4,000 less than the original shipment.

USCG legislation addresses crew fatigue

As part of its Coast Guard authorizations legislation (HR 2443), the House Committee on Transportation and Infrastructure added a provision relating to hours of service on towing vessels. The Committee included this provision in response to growing concerns about the impact of crew fatigue on the safety of towing vessel operations.

The provision, sponsored by Congressman Jim Oberstar (D-MN), allows the Secretary of Transportation to "prescribe a regulation requires for maximum hours of service (including recording and record keeping of that service) of individuals engaged on a towing vessel that is at least 26 feet in length measured from end to end over the deck (excluding the sheer)." It further directs that the Secretary should conduct a demonstration project involving the implementation of Crew Endurance Management Systems on towing vessels.

As expected, Oberstar's provision has drawn opposition from towboat owners.

Sailors' wisdom: mackerel skies and mares tails make lofty ships carry low sails

This sailor's wisdom tells us that strong winds require less sail for navigation. Mackerel skies are composed of cirrocumulus clouds, which look like fish scales, and mares' tails refer to wispy looking cirrus clouds. Both types of clouds indicate high-level

moisture, strong winds aloft, and a possible change in the weather.

Timely Reminder Fourth quarter 2003 dues are due and payable now!

SUP Constitution ARTICLE VI DUES AND INITIATION FEE

Section 1. The initiation fee shall be Eight Hundred Dollars (\$800.00) payable in installments with the sum of One Hundred Dollars (\$100.00) being due and owing upon the members' admission into the Union and the balance of Fifty Dollars (\$50.00) per month for each month or part thereof in SUP-contracted vessels.

The initial installment of One Hundred Thirty Dollars (\$130.00) shall accompany the application of membership and the dues shall be One Hundred Thirty Dollars (\$130.00) per quarter, payable in advance.

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L.A. mayor calls for funds to shore up waterfront security

An ABC Television News investigation of port security practices in Los Angeles and overseas created a stir even before it aired on September 11, as some elected officials called for more stringent searches of incoming cargo.

Mayor James K. Hahn called on Washington to provide more money to shore up security at the ports of Los Angeles and Long Beach, the nation's busiest container seaports. "This incident makes it abundantly clear that the Los Angeles-Long Beach port complex needs a dramatic infusion of funding and support from the federal government," Hahn said in a statement.

The story is the latest wrinkle in ongoing talks about how to prevent terrorists from shipping bombs and other weapons through the nation's seaports. Three million containers enter the country annually through the ports of Los Angeles and Long Beach. Only an estimated two to four percent of those containers are opened and searched by hand, but federal officials say that measures set in place since 9/11 have made hand searches of all containers unnecessary.

The ABC story, featured on "Prime Time Thursday," showed how security safeguards at the Port of Los Angeles failed to detect a suitcase containing depleted uranium that ABC News shipped in a container from Jakarta, Indonesia.

The ABC piece called the failure a noteworthy security breach, but federal security officials said depleted uranium is harmless and is not a valid substitute for weapons-grade uranium. The container arrived in Los Angeles on August 23, and while inspectors used an X-ray scanner to survey its contents, neither the scanner nor radiation pagers detected the depleted uranium nor did inspectors open and search its contents.

Some federal officials sharply criticized ABC News, saying the network might have committed a crime by not declaring that the shipment contained uranium.

In response, ABC released a letter to President Bush from U.S. Senator Barbara Boxer (D-CA), a member of the Senate Commerce Science and Transportation Committee. Picking up on media reports that ABC News could be the subject of a Department of Justice prosecution, Boxer wrote: "Instead of having your attorney general investigate those who exposed the problem, our limited resources would be better spent actually trying to solve the problem."

Homeland Security Department spokesman Dennis Murphy pointed out that port inspectors had targeted the container for X-ray scanning, a process reserved for a fraction of containers that catch the attention of security officials.

"If we never touched this container, and let it come straight through, without doing anything with it, then I think we would have failed," he said.

But ABC News spokesman Jeffrey Schneider countered that the container still had cleared port security systems with the depleted uranium undetected.

"What the test showed is that, at a port in Jakarta, without much effort, you can get someone to fill a container with anything you want, send it halfway around the world, and it clears Custom," he said.

Japanese Union agrees to foreign mariners on LNGs

The All-Japan Seamen's Union has agreed to allow mixed manning of the ten Japanese LNG (Liquid Natural Gas) carriers to be deployed to haul gas from Kuwait. The vessels will be placed on Japan's international ship register, which now has 33 ships, including two LNG carriers, the 112,069-gt *LNG Jamal* and the 20,017-gt *Surya Satsuma*. Under the agreement hammered out this month by the union and the Japanese Shipowners' Association, the number of Japanese crew on each of the 10 ships will be reduced to less than six from 10.

Details, such as the total crew size and the number of foreign seafarers to be allowed on the ships, will be decided through negotiations between the union and individual shipping companies. As for the LNG carriers to be deployed under Indonesia's Badak II and Arun II LNG projects, it was agreed to abolish the fixed Japanese crew composition—three deck officers, two engineers and one purser—on condition that the Japanese get one position in each of the three job categories.

A&B CEO responses to Anti-Jones Act legislation

Continued from page 1

passed on to the Hawai'i consumer. I also strongly believe that any immediate price discounting that may accompany a new entry will be a short-lived phenomenon.

Benefits of the Jones Act

The real question is what are the benefits that are gained by the people and businesses of Hawai'i from this 10 percent Jones Act "premium" in ocean transportation costs? What are the benefits of being served by these ships? We assert that these benefits are significant.

For Hawai'i

First, the people of Hawai'i receive greater rate stability and dependable, efficient, scheduled service for their cargo needs, international trade lanes are known for considerable fluctuation in rates, with recent rate increases reaching up to 40 percent in a six-month period. Jones Act carriers provide rate stability for Hawai'i, with only modest increases implemented on an annual basis as regulated by the Surface Transportation Board. In addition, foreign-flag operators are more likely to come and go, depending on economic factors and the profitability of the service. For many, Hawai'i would not be integral to their operations and would be served as a midway stopping point only when economically advantageous. Matson has been serving Hawai'i continuously since 1882, as its primary business, and has reinvested much of its profits back into its Hawai'i service, ensuring the state has the most modern and efficient transportation infrastructure available to serve the needs of its residents and businesses.

Matson is dedicated and committed to the Hawai'i market. Matson offers Hawai'i the most frequent, reliable service in the trade with four arrivals a week from the U.S. Mainland. This level of service allows our customers to minimize the need for warehousing in Hawai'i, thus reducing their inventory expenses. With Matson ships arriving almost every other day, businesses have incorporated Matson's vessel schedules as part of their supply chain and effectively can rely on Mainland distribution centers to "warehouse" their goods until needed. The best proof here comes from Matson's customers. *Logistics Management* magazine, our industry's bible, has just published the results of its annual "Quest For Quality" customer survey and Matson ranked #2 overall among all ocean carriers, domestic and foreign. Of particular importance, Matson ranked ahead of virtually every foreign carrier with respect to on-time performance, value, customer service and equipment/operations. You should be proud of these accomplishments, as we are a Hawai'i-based company and our success is a positive reflection of the state itself as a place to do business.

Perhaps more important, Matson has provided service to all of Hawai'i, for all types of cargo. In addition to serving Hawai'i's major port of Honolulu, Matson also offers regular service to all of the major ports of Hawai'i's neighbor islands, using specially-built container and ro-ro barges—and does go for the same price of moving cargo to and from Honolulu. It is unlikely a foreign-flag operator would deliver the same level of commitment to serving our smaller neighbor island communities.

For Every U.S. Citizen

The Jones Act and its U.S.-flag requirements brings other important benefits not only to the residents of Hawai'i, but to every U.S. citizen. These include national security—a concern that has become unfortunately very real to each and every one of us in recent times. By contract, all Jones Act ships, containers, equipment, terminals, cargo tracking systems and employees who operate these systems will be made available to the U.S. military in times of emergency. It is important that Americans control Hawai'i's lifeline to and from the Mainland—not foreign governments. Since September 11, Matson has worked closely with the U.S. Coast Guard in addressing maritime security issues in general and port security matters pertaining specifically to Hawai'i.

U.S.-flag vessels are also held to higher U.S. Coast Guard environmental standards and are more accountable to the public they serve. Often the ownership of foreign ships is so circuitous, it cannot even be determined who is responsible in the case of an oil spill, for example.

And lastly, the Jones Act produces jobs for the American people. More than 124,000 people are employed in jobs all over the U.S. that are directly related to the U.S.-flag domestic shipping industry. The Jones Act trade is a major contributor to U.S. employment, U.S. industry and U.S. government tax revenues. The Jones Act fleet of more than 44,000 vessels directly contributes approximately \$15 billion per year to the U.S. economy and represents an investment of about \$26 billion in vessel construction. The domestic merchant fleet creates 87 percent of the entire seafarer employment base in the United States, and touches the economy of every U.S. region. Each year the Jones Act fleet transports about 1.1 billion tons of cargo worth approximately \$222 billion; and generates an additional \$3 billion in tourism and support of the oil and gas and marine industries. All of this economic activity means tax dollars for the U.S. Treasury. Jones Act workers alone annually pay \$1.41 billion in federal income taxes and \$322 million in state taxes.

Jones Act Is Not Unique in U.S. Domestic Transportation Policy

Lastly, we think it is important to point out that every major mode of transportation in the United States is governed by its own form of "Jones Act"—this is a major tenet of U.S. transportation policy. Air service between two U.S. domestic points can only be offered by U.S. air carriers. For example, Japan Airlines or Air France cannot transport passengers between the U.S. Mainland and Hawai'i. Similar laws apply to railroads and trucking companies. Furthermore, the Jones Act is not unique with respect to the laws of other nations. In fact, 48 of the 54 most important maritime nations have similar laws.

Matson is Working With the Cattle and Agricultural Industries

We recognize that a particular concern of yours is Hawai'i's agricultural and livestock industries. Let me assure you that Matson will continue to work with these industries to assist in their survival, as we have in the past.

Since the company was founded in 1882, Matson has carried Hawai'i's agricultural products to the Mainland. Today, Matson carries virtually all of Hawai'i's agricultural products: sugar, pineapple, macadamia nuts, coffee, etc. at highly competitive rates.

Matson has also worked closely with Hawai'i's cattle industry in developing efficient, cost effective methods of transporting cows to the U.S. Mainland, including participation in the development of containers in the '90s. Matson is the only carrier offering cattle shipping services from all of the major ports of Hawai'i; air carriers are not only more expensive, but are also limited to Honolulu as a departure point. Matson's rates have actually decreased since the container service was introduced in 1992. The ocean freight cost by Matson of transporting cattle, including the current fuel surcharge, is approximately 11 cents a pound.

Summary/Need for Solidarity Among Hawai'i's Representatives to Congress

In summary, I ask that you reconsider your position on the Jones Act. I encourage you to look not only at the costs of the Jones Act, but at the substantial benefits that are provided in exchange, particularly for the neighbor islands of Hawai'i. When viewed from this perspective, we believe that people will conclude that the Jones Act is good for Hawai'i.

The Hawai'i congressional delegation has consistently and strongly supported the Jones Act for 44 years, and we would like to see this solidarity continue. The reasons for their unwavering support include the following:

- Frequent, reliable, and efficient ocean cargo service for the needs of the people and businesses of Hawai'i;
- Stable and reasonable shipping rates;
- Quality service provided to all of the major neighbor islands in Hawai'i, as well as the major port of Honolulu;
- Enhancement of U.S. maritime security;
- Environmental benefits; and
- Significant contributions to U.S. jobs and economy.

Congress passes \$305 billion security budget

House and Senate negotiators on September 17, approved legislation that will provide \$30 billion to the Department of Homeland Security over the next year, about \$1 billion more than was requested by President Bush. The bill includes \$62 million for the Container Security Initiative, which allows US Customs officials to inspect US-bound cargo in foreign ports. Overall, the Customs and Border Protection Bureau will receive about \$5 billion.

An attempt by Democrats to add \$1.25 billion to reinforce port and maritime security and other border inspection activities was killed by Republican leaders,

who said the bill includes many provisions that improve cargo security.

In an action that will affect cruise passengers, the negotiators blocked, until February 2004, an administration proposal to screen all incoming airline passengers through computer checks of their financial records. Many in Congress believe the screening would violate privacy laws, and asked the General Accounting Office to study the issuer.

The spending bill also includes \$668 million to fund the Coast Guard's Deepwater Project to modernize and expand its fleet.

Cockroach-infested cruiseship faces threat of legal action by British authorities

A cockroach-infested cruiseship could face legal action after breaching a voluntary agreement to stay in Greenwich, England, until the problem was cleared up, according to the London Port Health Authority.

The *Astoria*, operated by Cyprus-based Passat Shipmanagement, was one of the first foreign vessels to be inspected under the Food Safety Act, under powers that came into force last month. A routine inspection of the Bahamas-flagged 1981-built ship over the weekend by two officers from the Long Port Health Authority found that the crew galley and passenger galley were infested with cockroaches. The officers issued an emergency prohibition notice, prohibiting the use of the ship for the preparation or service of food to both passengers and crew.

In addition, the master of the 18,591 gross ton vessel, Captain Ivan Shramko, allegedly agreed with the Maritime and Coastguard Agency to stay in port until treatment of the infestation was complete. But *Astoria*, which was carrying some 492 passengers and some 250 crew, instead sailed to Bremerhaven in the early hours of September 14. It had left the German port a few days earlier on a short cruise stopping at Ijmuiden in Holland as well as Greenwich.

The director of the London Port Health Authority, Jon Averbs said: "The ship's captain and tour company have shown a blatant disregard for the welfare of their passengers, putting them at considerable risk."

USCG offers little encouragement to Muslim mariners

The Coast Guard is offering little comfort to Muslim seafarers facing unemployment as result of discrimination saying each shipping company will have to "make its own conclusions". At least two European shipping companies, Jo Tankers and B&N Moerman, have fired Indonesian crews and replaced them with Filipinos. The two companies made the decision after visa waiting times stretched to six weeks, seafarers with common Islamic sounding names subjected to prolonged questioning and being forced to pick-up the bill for security guards.

"Each shipping line is going to have to decide its own line and make its own conclusions," Charles Wurster, commander USCG 14th District, said when quizzed about the firing: of Indonesian seafarers serving on ships trading to the U.S. "It is a difficult result for those seafarers," he added. Rear Admiral Wurster was speaking to reporters after his keynote address to the Maritime Manpower Singapore conference organized by the Singapore Maritime Officers Union.

The need to implement the Seafarers Identity Document as part of the fight against terror was a key focus at the conference. "We must beef up identification for seafarers," Matthias Yao, senior minister of state to the Singapore Prime Minister's Office said. He warned conference delegates that any disruption of ports and shipping by a terrorist act would disrupt the free flow of trade and impact economies. In Singapore's case the volume of trade that moves through the country a year is three times its annual GDP.

Rear Admiral Wurster said that the identification system would help the USCG do a better job. "[We will] Work with other U.S. agencies and support the International Labor Organization's efforts to develop a consistent approach to credentializing seafarers," he said. In June this year the ILO Conference adopted the Convention on Seafarers Identification Documents. "The present mounting hardship suffered by seafarers, especially with regard to shore leave, must be rapidly arrested," Jean-Yves Legouas, senior maritime specialist for the ILO said.

Cost overruns at Philadelphia shipyard lead to heavy losses by Norwegian company

Heavy shipbuilding losses in the United States plunged Norway's Aker Kvaerner a further Nkr391m (\$51.3 million) into the red, despite improved performance across the group. In the second quarter, the Norwegian industrial group booked cost overruns of Nkr440m to work delays on three containerships at its Philadelphia Kvaerner Shipyard, being built for Matson Navigation Company. The Norwegians in June revealed that a review of the loss-making U.S. shipyard had uncovered higher costs and lower productivity than expected. Aker Kvaerner management said cost overruns on its first boxship (*m/v Manukai*) due for delivery two months ago to Matson Navigation were around Nkr200m higher than expected. The second containership in the hard-fought \$220 million order for the San Francisco-based shipping company is due for completion by the second quarter of next year.

Aker Kvaerner acknowledged that its "substantial commitment" made to turn the U.S. facility into a flagship commercial yard had not delivered. "Revised plans are being drawn up, aiming to further strengthen the yard's capability within project management, procurement and construction," the group said. "Overhead costs are being reassessed again, and staff have been notified about future redundancies."

Carnival accused of 'obfuscation'

Cruise giant Carnival Corp., which recently escaped penalties for alleged probation violation in Florida, has been accused of shielding its performance behind a "policy of obfuscation". The charge comes from Bluewater Network, which says the company has refused to give details about how it would avoid further pollution of U.S. waters.

Carnival recently fired three Holland America Line (HAL) employees as part of a District Court deal to avoid probation breach sanctions. A probation officer sought the sanctions, claiming the HAL workers submitted audits containing "false, misleading and inaccurate information" about environmental compliance. The compliance was ordered as part of an April 2002 plea agreement that included \$18 million in fines after oily water was discharged and oil log records falsified. The sackings, together with Carnival's pledge to hire four more environmental compliance officers, were enough for the judge to set aside the probation officer's petition.

Blue Network has called on the public to email Carnival chairman Micky Arison to urge him to stop his ships from polluting air and water. Carnival admitted no wrongdoing and was not penalized for its employees' actions but remains subject to the 2002, five-year probation order, for lying to the U.S. Coast Guard about its pollution-treatment logs.

ITF defends its wage benchmark for flag-of-convenience mariners

The International Transport Workers' Federation (ITF) benchmark for seafarers' wages courted controversy at an international maritime manpower conference in Singapore September 9. The current ITF benchmark figure of \$1,300 per month for unlicensed mariners will be increased to \$1,400 per month from January 2004, for mariners sailing in flag-of-convenience ships. "ITF has very successfully presented employers from exploiting the impact of globalization to reduce their crew costs," observed David Dearsley, secretary-general of the International Maritime Employers' Commit-

tee and adviser of the International Shipping Federation. A Filipino AB should not be paid more than \$700 per month, Ib Furergaard, managing director of AP Moller Singapore said during a panel discussion.

Defending the benchmark, ITF's Stephen Cotton, secretary of the seafarers' division, asserted that regardless of nationality, quality personnel commanded a certain "minimum" level. "Owners do not admit it, but in fact pay more to ensure that they get the right crew for a particular vessel," Cotton said.

Ship scrapping deal criticized

A Texas congressman has asked the investigative arm of Congress to audit the controversial transaction between the Maritime Administration and Able UK, which was recently contracted to scrap 13 ageing U.S. ships in Britain. The request comes amidst an uproar about the deal from lawmakers and shipyard supporters, who say the work should have been awarded to an American company. MarAd should "let all of us know exactly how much money was wasted in this bad decision," said Solomon Ortiz (D-TX) in a letter to the General Accounting Office (GAO).

"We are paying people in another country to do [the job] while our industry in the U.S. is deeply hurting." Ortiz also wants the GAO to conduct a general review of MarAd's shipbreaking program, which is conducted jointly with the U.S. Navy. Ortiz's letter was reported on September 8, by the *Baltimore Sun*.

The *Sun* said the recent bankruptcy of Baltimore Marine Industries shipyard was partly linked to a slowdown in government work. BMI was one of four U.S. companies that participated in a five-year pilot program on scrapping old ships. Ortiz serves on the House Armed Services Committee.

Pusan devastated by Typhoon Maemi

South Koreans spent last week sifting through the wreckage caused by Typhoon Maemi, the worst winds to hit the country on record and one that clobbered the shipping industry hardest of all. Pusan port resembled a Hollywood disaster movie, with twisted, mangled metal from 11 damaged containers cranes lying across the waterfront, while shipbuilders also reported newbuilds coming off their moorings and causing damage and delays.

More than 115 people are reported dead and the insurance claims from the path of destruction over the southern tip of the peninsula are likely to be in excess of Won156bn (\$133 million).

The storm hit the already troubled port

of Pusan on September 12, slamming in at 135 mph and uprooting eight giant 1,000 ton cranes, leaving a further three of the port's 52 container cranes bent. According to the Pusan Regional Maritime Affairs and Fisheries Office, the cost of repairing these cranes will be Won54.5bn, and it will take up to 15 months for them all to be up and running again. Officials warned that the port is likely to be running at 80 percent capacity for at least three months—which equates to a loss of approximately 500,000 boxes based on 2002 figures. It will take 45 days just to move the debris from the felled cranes, some of which are obscuring access roads.

Record of SUP Shipping August 2003

	Hdq	Seattle	Wilm	Hono	Total
Bosun	5	3	6	1	15
Maint. Man	5	0	0	0	5
A.B. Dayworker	0	0	4	0	4
A.B.	13	14	15	7	49
O.S.	2	2	2	1	7
Standby	10	18	59	35	122
TOTALS	35	37	86	44	202

SUP Election

Report of the Committee on Candidates

September 16, 2003

As per Article XII of the SUP Constitution, the following members nominated for regular officers of the Union at the September Headquarters and Branch meetings met the qualifications set forth in Section 3 of Article XII and were duly notified of their nomination by the Committee.

President/Secretary-Treasurer

Norm Christianson #4770
Gunnar Lundeberg #4090
Keith Miller #6497
Duane Nash #2437
Vince O'Halloran #2463
Bruce Smith #7480
Grant "Eli" Wegger #3637

Vice President/Asst.

Secretary-Treasurer

Norm Christianson #4770
Dave Connolly #4792
Vince O'Halloran #2463
Bruce Smith #7480
Grant "Eli" Wegger #3637

Seattle Branch Agent

Bob Bacon #4736
Norm Christianson #4770
Mike Dirksen #2739
Alexander "Sandy" Earle #1885
Bill Henneberry #5815
Vince O'Halloran #2463
John Peterson #3845
Dennis Sparta #7412

Wilmington Branch Agent

Bob Burns #5736
Jim Estling #1894

Mark Hurley #5870
Keith Miller #6497
Duane Nash #2437
Vince O'Halloran #2463
Bruce Smith #7480
Grant "Eli" Wegger #3337

Honolulu Branch Agent

Paul Calais #4781
Norm Christianson #4770
Mike Duvall #2732
Bill Henneberry #5815
Billy McAndrew #6506
Robert Morgan #6519
Frank Portanier #3835
Bruce Smith #7480
Grant "Eli" Wegger #3637

San Francisco Business Agent

Knud Andersen #3739
Bill Berger #4642
Paul Calais #4781
Norm Christianson #4770
Robin Colonas #18145
Bill Henneberry #5815
Terry Lane #4107
Keith Miller #6497
Trev Motlow #6493
Frank Portanier #3835

Rich Reed #3181
Bruce Smith #7480
Mike Worth #3629

Building Corporation Trustees

Bill Berger #4642
George "Buzz" Blake #5733
Paul Calais #4781
Norm Christianson #4770
Steve Clemens #4789
Randy Coady #4782
Robin Colonas #18145
Dave Connolly #4792
Bob Copeland #4763
Alexander "Sandy" Earle #1885
John Folcarelli #2069
Bill Henneberry #5815
Mark Hurley #5870
Robert Jones #4326
Gunnar Lundeberg #4090
Trev Motlow #6493
Duane Nash #2437
Vince O'Halloran #2463
Frank Portanier #3835
Charles Schroeder #7427
Bruce Smith #7480
Mike Worth #3629

SIUNA Convention Delegates

Knud Andersen #3739
Bill Berger #4642
Paul Calais #4781
Norm Christianson #4770
Robin Colonas #18145
Dave Connolly #4792
Mike Duvall #2732
Anthony Figueroa #2222
Paul Fuentes #2239
Bill Henneberry #5815
Mark Hurley #5870
Monte Kalama #3178
Terry Lane #4107
Tom Larkin #4065
Mark Littlejohn #4115
Gunnar Lundeberg #4090
Trev Motlow #6493
Robert Morgan #6514
Duane Nash #2437
Vince O'Halloran #2467
Frank Portanier #3835
Rich Reed #3181
Bruce Smith #7480
Dennis Sparta #7412
Robin Taylor #17796
Mike Worth #3629

The Committee disqualified Vern Johansen #4316, as a candidate for President/Secretary-Treasurer, Vice President/ Assistant Secretary-Treasurer, San Francisco Business Agent, Honolulu Branch Agent and Building Corporation Trustee as he was not a member in good standing at the time of his nomination. The Committee disqualified Roy Tufono #3281 as a candidate for San Francisco Business Agent and SIUNA Convention delegate as he was not a member in good standing at the time of his nomination. The Committee disqualified Tom Tynan #3286, as a candidate for Building Corporation Trustee as he was not a member in good standing at the time of his nomination.

Article XII, Section 3 states "Any member of the Union shall be eligible to be a candidate for and hold any regular office, provided he/she possesses the following qualifications: a) He/she is a member in good standing at the time of nomination."

An examination of Brother Johansen's dues record by the Committee indicated that he did not pay dues for the third quarter of 2003, and therefore, was not in good standing at the time of his nomination at the September 8, 2003 Headquarters meeting or the September 15, 2003 Branch meetings.

An examination of Brother Tufono's dues record by the Committee indicated that he did not pay dues for the third quarter of 2003, and therefore, was not in good standing at the time of his nomination at the September 8, 2003 Headquarters meeting or the September 15, 2003 Branch meetings.

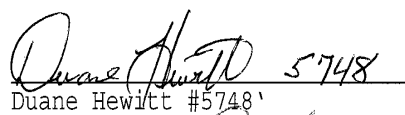
An examination of Brother Tynan's dues record by the Committee indicated that he did not pay dues for the third quarter of 2003, and therefore, was not in good standing at the time of his nomination at the September 8, 2003 Headquarters meeting or the September 15, 2003 Branch meetings.

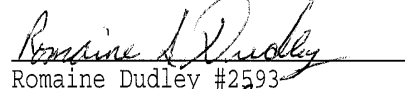
Article VI states that, "...dues shall be One Hundred Thirty Dollars (\$130.00) per quarter, payable in advance."

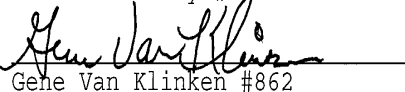
According to a publication of the U.S. Department of Labor's Office of Labor Management Standards entitled *Conducting Local Union Officer Elections*: "If your union has decided to waive (not enforce) an eligibility requirement in its constitution and bylaws, it should notify all members of this decision in the nomination notice." The Committee does not have the authority to waive the dues eligibility requirement for candidates. To change the requirement, the SUP Constitution would have to be amended by a referendum vote of the membership.

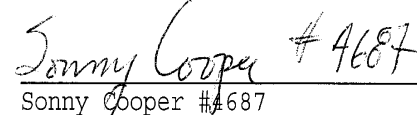
All nominees who desire to become candidates shall have the necessary qualifications and acceptance in the office of the Committee on Candidates (c/o SUP, 450 Harrison Street, San Francisco CA 94105) prior to midnight October 14, 2003.

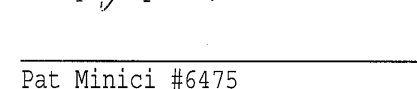
Fraternally,
Committee on Candidates

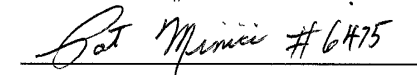

Duane Hewitt #5748


Romaine Dudley #2593


Gene Van Klinken #862


Sonny Cooper #4687


Pat Minici #6475


Pat Minici #6475

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ESU Office Assignments

For the month of October, Leo DeCastro will be in the Baytown office and Thomas Thompson will be in the Benicia office.



SEPTEMBER 2003

Official Publication of the Exxon Seamen's Union

Steward Department training

As previously reported in the February 2003 issue of the *ESU News*, the Joint Union Management Training Committee (JUMTC) has agreed to further develop training opportunities for members presently on the Fleet Chef and Cook promotion lists. Presently the focus of this training is to allow candidates for promotion to sail as extra personnel onboard a vessel to gain "hands-on" experience and work under the tutelage of either a Cook or Fleet Chef.

The interest in developing a shipboard training program for these ratings came as a result of numerous discussions between the ESU Executive Board and management. Common ground was found between the two parties in regard to the traditional "step-up" system of allowing members to sail in skilled positions without any previous on-the-job experience. It was mutually agreed on that in most cases this was not the most effective system of preparing individuals for promotion, or evaluating them for eventual promotion to the rating. The step-up system has proved to be not only unfair to the "stepped-up" individual that is required to perform at a level of experience that may not allow them to succeed, but also, it is not always beneficial to the quality of shipboard operations.

Steward's Department Trustee, Gerard Nelson, has worked in conjunction with other Steward Department members to compile and develop guidelines for this training. The guidelines, when completed will be used to further assist the trainees

in developing their skills and knowledge in order to adequately perform the required tasks of the rating in which they desire promotion.

On August 26, 2003, Joint Union Management Training Committee Board members (JUMTC) met with Captain Rich Kessinger, Training Supervisor, and Todd Covini, Labor Relations Supervisor for SeaRiver Maritime Inc. to formulate and develop Stewards Department Training. This meeting was held after consultation and input from Senior Fleet Chefs and Ship Cooks over the past few months to define the direction and objective of the training. It was decided that the objective should be to develop a course aboard ocean fleet vessels for those who aspire to pursue a career in the Stewards Department (Fleet Chef & Ship Cook) to provide a well rounded program by giving rigorous hands-on training, to accomplish this task in an atmosphere devoid of pressure and achieving a comfort zone for the trainer and trainee that compliments the training. The formation and development of this training program is a direct result of senior personnel in the Stewards Department asking for training that actually prepares and trains an individual for promotion. The need for this type of training has existed for a number of years and is exacerbated by the continuing retirement of senior personnel in the Stewards Department. The Union will keep the membership informed as the formation of this training course progresses.

House legislation proposes to reduce lump sum retirements

In April of this year sweeping legislation was introduced in the House of Representatives that would make significant changes to pension plans and the way "lump sum" retirements are calculated. The bill is called the Pension Protection and Preservation Savings Act of 2003, HR 1776 but don't be fooled by the patriotic number and secure sounding title. In fact, there are very few if any good reasons why hard working Americans should support legislation that makes corporations and fat cats richer at the expense of it's employees.

The worrisome part of this bill for the members and retirees of the ESU pertains to enormous handouts that corporations will receive through funding reductions to their pensions plans. In the wake of Enron, it seems absurd that Congress is now going to trust companies to play fast and lose with our pensions.

This bill would also allow employers to pay out smaller lump sum pensions starting in 2006. Payment of smaller lump sum pensions could become a reality if Congress sells out to employer's desires to establish a higher interest standard. A higher interest rate means less when calculating a lump sum pension. A 2 percent increase in the rate could result in a 25 percent reduction in your benefit. A \$100,000 lump-sum payment based on the current 30-year Treasury rate would, for example, shrink to \$75,000.

The government has now stopped selling 30-year Treasury bonds, which will mean a change in the standard used for calculating lump sum pensions. Section 705 of the proposed bill substitutes a composite long term corporate bond rate for the current temporary four-year weighted average of 30-year Treasury bond rates for the purpose of fixing the contribution companies must make to their defined-benefit pension plans under the Employee Retirement Income Security Act (ERISA). The corporate bond carries a higher interest rate, which will reduce projected pension liabilities for companies and shaft hard working employees in their retirement years.

Employer-backed pension lobbyists are pushing heavily for passage of this corporate dream wish list. This bill really favors the corporate "fat cats" of America. These benefits include: Make it easier for companies to establish better Pension Plans for "specially" favored employees (those at the top). Exempt stock option gains for payroll taxes.

The Executive Board encourages the membership to please write or contact your Representatives and Senators and urge them to oppose HR 1776, or at a minimum, take action to eliminate the anti-retiree, anti-funding provisions in section 705 of the bill. Ask them not to cosponsor or vote for the bill as it is written, especially if section 705 is not removed.

The SeaRiver Team

The first thing an employee wants is to be treated with respect and dignity, to be able to work in an atmosphere where they can learn, be trained and develop their talents. SeaRiver office managers that are clearly misguided and out of touch with reality have recently subjected some loyal longtime unlicensed SeaRiver employees with perfect unblemished records to the shabbiest of treatment. The unlicensed members resent it when they are treated shabbily, when their dignity and self-respect is hurt. The frequency of these occurrences is seemingly on the increase from managers ashore and at sea. If management assumes that they can continue with this unwarranted malicious type of behavior and then ask for our participation in programs such as LPS and pretend that we are one big happy family, it is a flawed assumption. The word "teamwork" that SeaRiver flaunts publicly is meaningless unless the managerial mind-set changes.

Some companies including SeaRiver have changed their terminology from "employee" to "team member." Some of them have done so because they have had a true change in outlook. For some, referring to "team members" is a hopeful term. It is an attempt to communicate to employees that the company wants them to act like a member of a team, working together to meet their goals.

For more advanced companies, "team member" represents a real change in thinking. These companies have changed processes and policies to demonstrate that the individual is expected to function as a team member, to share information and work with other members of the team to identify and correct problems.

For a small but aspiring group, "team member" has a much higher meaning. They are not content with "back axle" thinking, that is, management has traction and is driving changes, but the employees are just going along for the ride. These companies want to engage employees fully, so they, too, can dig in and take the company off-road into unexplored terrain. These companies have already glimpsed the potential of truly empowered employees. They have enlightened leaders who see employees differently than their predecessors did. They know that the last, vast untapped resource for competitive advantage is their employees. They go beyond open-book management, where management decisions are fully explained. They expect employees to be active partners with management and write the book together.

For SeaRiver Maritime Inc. the term "team member" is rather hollow because little is done to make the term a reality. It could be a reality if we had leaders who understand that a breakthrough culture starts with a breakthrough in management thinking, that a minimum for starters, is to treat their employees with dignity and respect.

For now, this kind of ownership mentality is only an elusive dream for SeaRiver management. SeaRiver Maritime has failed to achieve a strong organizational culture that engenders trust and loyalty.

Ultimately, the only thing that separates any company from any other company is its people. If an employer takes care of their people they will take care of their employer and defend that employer to the ninth degree.

October AEO-ADO-DLC course filled

Training courses developed through the Joint Union Management Training Committee that will commence on **October 4, 2003** have been filled. The Advanced Engine Operations Course (AEO) and the Advance Deck Operations (ADO) courses will be offered, as well as the Dangerous Liquids Course (DLC) that includes participants from both the deck and engine department. The AEO participants are: James Byrd, James Ham, Mike Harmanson, John Valle, Waverly Moore, Lorenzo Fontana, and Raymond Balles. ADO participants are: Frank O'Malia, Charles Bell, Amador Almanza, Edward Caldwell, Eric Bush, Jerzy Romaniuk and Joel Mitchell. Course dates are as follows: **Advanced Engine Operations Course, October 4, and 5, 2003. Dangerous Liquids Course, October 6, thru 10, 2003. Advance Deck Operations course, October 11, and 12, 2003.**

The Exxon Seaman's Union has strongly supported membership participation in these courses and thanks the membership for their response.

August Communication meeting

On August 27, 2003 ESU Board members Jerry Patterson, Thomas Thompson and legal counsel Sharon Groth met with SeaRiver management at the Union offices in Baytown Texas. Items of discussion included the medical case review process. ESU Attorney Sharon Groth reiterated to SeaRiver management, although it is recognized that management has some responsibility in certain instances to require additional tests following a physical under Title 46, CFR parts 10,12,13 and the NVIC P16700.4 that the Union intends to monitor instances of further test-

ing extremely close and will take the necessary steps to prevent the company from requiring tests that the ESU views as unnecessary. Further, the Union will insist that any cost associated with any testing outside the parameters described above will be paid for by the Company.

Other items discussed were: Stewards Department Training, Protocol when signing on the ship, Counseling letters, overtime codes and 2.0 Operating Seniority List Review. The next Communication meeting is scheduled for September 29, 2003 in Houston, Texas.

ESU News

Blue Cross/Blue Shield annual review

On September 30, 2003, members of the ESU Executive Board will meet at the Doubletree Hotel in Houston, Texas with Company and BCBS representatives to review and address Blue Cross/ Blue Shield medical and dental insurance issues.

Last year review of the plan and claims experience was favorable and below projections. Consequently, BCBS recommended no increase in premiums for the 2003 calendar year. Also, the unlicensed employees were the benefactors of a slight reduction to their contribution to the premium through the "Me Too" clause of the Contract. Article XVIII of the Contract states in pertinent parts that, "During the term of this contract, subsidy levels for all unlicensed employees

will be automatically adjusted (upward only) to reflect subsidy levels provided to the Company's Deck and Engine Officers."

There are several variables that effect what the new rates and employee contributions will be. When reviewing the medical plan the new rates and the employee out of pocket contributions are influenced by the prior year's claim experience, rate of medical inflation and what if any subsidy increase the Officers plan may receive.

The ESU Board remains committed to our present plan, and insuring that the unlicensed membership and retirees have quality medical coverage now and in the future.

Retirement

Darrell Jones, a long-time loyal fraternal ESU brother will retire due to a disability effective September 1, 2003 with 19 years of Company service. Darrell was an ardent supporter of the Union throughout his career. He was among the elite as a Fleet Chef, a good shipmate and has many friends in the fleet. He will be sorely missed. Darrell's first ship with the Company was the *Exxon Gettysburg*.

Darrell's years of loyalty and dedication to the Union are appreciated. The ESU Board on behalf of the entire membership wishes him a long and happy retirement, fair winds and following seas.

Ship reports

S/R American Progress

Vessel boarded by Board Officer on September 5, 2003 at Beaumont, TX. Ship Representative Chuck Bell onboard. Vessel is currently trading between Fort Lauderdale and Beaumont. Everything is going well here.

S/R Baytown

The vessel left Singapore on July 31, 2003 and arrived back on the U.S. West Coast on August 24, 2003. Presently vessel is in the Valdez / Pacific Northwest trade. Kevin Conroy is doing a good job filling in for Mark Myser. He keeps in touch on a regular basis and reports that all is well.

S/R Bristol Bay

The vessel is still in lay-up at Orange, Texas. The duration of the lay-up and the future of the ship is still unknown at this time.

S/R Charleston

Vessel transited the Panama Canal during the first part of September and will call on Los Angeles and ports in the Northwest before arriving in Singapore in mid-October for a yard period. Mike Gore acting as Temporary Ship Representative. Regular Ship Representative Bob Knight will return while the vessel is on the West Coast.

S/R Columbia Bay

The vessel was visited at the Valero dock in Benicia, CA, on September 5, 2003. One member had a pay voucher glitch that was addressed and resolved. Ship Representative Thor Floreen reports no beefs.

S/R Galena Bay

This ship continues to have many problems due to rigid managers on board. Unlicensed members are never given any consideration and morale remains low. Steel work was done around the clock keeping everyone

awake and then the crew was expected to stand their normal watches raising serious safety concerns. Management suggested that maybe everyone should just wear earplugs to sleep. The ESU thinks this suggestion may be disastrous if an emergency were to arise. Temporary Ship Representative Ed Benjamin is doing a good job under difficult circumstances.

S/R Hinchinbrook

Vessel continues on the ANS trade between Valdez and the Puget Sound. Earl Doucet is doing a very good job filling in for Ship Representative Danny Jones and communicates with the ESU regularly. No beefs reported.

S/R Long Beach

Ship visited by Executive Board Officer on August 24, 2003 at the Valero Dock in Benicia, CA. Ship Representative Joe Graca is back aboard and reported that everything was going well. One member had a BCBS question that was clarified by the visiting Board Officer.

S/R Mediterranean

Vessel continues to operate in international trade and specific trade and route information is not given due to security concerns. Temporary Ship Representative Tim Williams is communicating with Union via email.

S/R Puget Sound

The *S/R Puget Sound* remains on the Valdez / Pacific Northwest run at this time. Ship Representative Michael Harrison is aboard and there have been no beefs reported.

S/R Wilmington

Board Officer boarded the vessel on August 28, 2003 at the ExxonMobil Dock in Baytown, TX. Odley Banks is filling in as Temporary Ship Representative. Everything is running smoothly.

Rescue at sea



Pictured above are the refugees that were rescued at sea by the officers and crew of the *S/R American Progress*. In the center of the photo wearing the radio is Able Seaman Delmar Bodden who was gracious enough to offer his services as an interpreter.

S/R American Progress rescues Cuban refugees

During the night of August 29, 2003, the crew of the *S/R American Progress* rescued 10 Cuban refugees from a raft off the SE Florida coast. The every watchful eye of the deck watch spotted a dim flashlight that the refugees were using to signal their presence. Heavy seas prevented a responding USCG cutter from taking the refugees aboard and the Coast Guard asked the *S/R American Progress* if they could take them instead. The *S/R American Progress* responded promptly to effect the rescue, which was safely completed. The ship offered food, water, clothing and bathing facilities to the refugees and later transferred them to a Coast Guard cutter closer to shore in sheltered waters. The USCG gratefully thanked the crew for their humanitarian and safe rescue of the refugees.

MMD renewal background check

On February 1, 2003, the Coast Guard implemented a new application form (#CG-719) for MMD renewal. One part of this form (Section III) pertains to questions about narcotics, DWI/DUI, and conviction records. Information provided by the applicant is reviewed by the USCG for accuracy during the required background check. It is the Union's understanding after speaking with a number of Regional Exam Centers that this form is subjected to a thorough and complete FBI background check that is considerably more comprehensive than in the past.

It is imperative that you answer all the questions truthfully and precisely, regardless of the length of time since any incident and/or conviction occurred. Failure to disclose this information may cause serious delays, or even denial by the U.S. Coast Guard with the renewal of your documents.

The Executive Board strongly recommends that members that have such issues as listed in Section III of the renewal form anticipate additional delays in obtaining their new documents and initiate the renewal process well before the normally recommended period of six (6) months prior to of the expiration date of any documents.

Condolences

The ESU Board and Membership extends its condolences to the family of our fraternal brother, Pumpman, Steve Wilson and his wife for the loss of their son Anthony O'Rourke in a tragic auto crash in Baytown, Texas, on August 28, 2003. Some ESU members that lived in the area knew Mr. O'Rourke personally, others knew of him through the stories that Steve would tell of the fishing adventures that they shared. Mr. O'Rourke captained Steve's fishing boat while Steve was at sea. All of Steve's friends in the fleet extend their deepest sympathy for this untimely and tragic loss to his family.

EXXON SEAMEN'S UNION

Founded March 28, 1941

Affiliated with the Sailors' Union of the Pacific

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Baytown, TX 77520
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Fax (707) 746-7859
E-Mail: esuben@msn.com

President Jerry Patterson

Vice President John Straley
Secretary/Treasurer Leo DeCastro
Recording Secretary Thomas Thompson III

Deck Trustee Patrick Campbell
Engine Trustee William Ackley
Steward Trustee Gerard Nelson

Sailors' Union of the Pacific/ Training Resources, Ltd. Schedule of Course Offerings for 2003

STCW 95 Basic Safety Training

• Basic Fire Fighting	• Basic First Aid		
• Personal Survival	• Personal Safety and Social Responsibility		
Sep 8-12	Oct 20-24	Nov 17-21	Dec 15-19
Sep 22-26	Nov 3-7	Dec 8-12	
Oct 6-10			

Small Arms Training (MSC approved)

Sep 29-Oct 1	Nov 3-5	Nov 17-19	Dec 15-17
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LMSR Vessel Training (MSC approved)

Sep 16-26	Oct 21-31	Nov 4-14	Dec 2-12
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Survival Craft (Lifeboatman)

Sep 30-Oct 3	Oct 28-31	Nov 18-21	Dec 16-19
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Training Information and Enrollment

Contacts

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SUP Welfare Plan
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Dave Connolly, SUP Vice President
c/o Andrew Furuseth School of Seamanship
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E-mail: daveconnolly@msn.com

Important Notice

New USCG ID regulation

New Coast Guard regulations required two forms of identification for the purposes of renewals, duplicates and upgrades of merchant mariner's documents. Acceptable forms include a passport, state identification card, driver's license and birth certificate. Use of previous z-card and STCW is not being accepted by some Regional Examination Centers.

If you are without a second form of identification separate from your seamen's papers, you must acquire one before you renew your documents.

Editor's Note: For those who want to receive the *West Coast Sailors* in a more timely manner, subscriptions **via first-class mail** are now available (one-year intervals only) for \$25 per year.

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

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West Coast Sailors
450 Harrison Street
San Francisco CA 94105



Welfare Notes

September 2003

SUP MONEY PURCHASE PENSION PLAN

The SUP Money Purchase Pension Plan (MPP) is a collectively bargained defined contribution pension plan for individuals who work under any SUP contract that requires contributions to the Plan.

The MPP began on April 1, 1991, as a result of bargaining with APL and Matson in 1990, and covers all SUP members who have sailed, or worked with the participating employers. The initial contributing funds for the MPP were started by the members in lieu of pay increases. The membership voted in 1990 to begin a money saving plan and the Money Purchase Pension Plan was created. The members daily contributions are determined by which company you are employed, as well as your job rating. The MPP Plan's Trustees manage and control the investments of the Plan. Federal laws give permission to the Plan Trustees to retain professional investment managers to safeguard the value of the assets and to increase the rate of investment return for the participants.

Each participating SUP member has an individual account set up within the MPP. Your account balance is computed on a fiscal year that runs from August 1, to July 31, yearly. The July 31 date is considered your Valuation Date. Each year you will receive a statement showing your balance as of the valuation date. This statement will show contributions placed in your account since your last valuation date, your share of earnings and your share of expenses paid for the year preceding the current valuation date. The Plan's auditors will complete the calculations and mail your statements before the end of October.

There are specific laws and restrictions for withdrawing your MPP which will be explained in the October issue of *West Coast Sailors*.

401-K SAVINGS PLAN

Columbia Funds Senior Account Manager Ms. Joan Steele will be at Headquarters on October 14, 2003. Ms. Steele will be in the library at 0900, two hours before the monthly membership meeting. Ms. Steele will be available to answer your individual questions on Columbia Funds, your 401(k) Plan, and also offer helpful advise on individual investments, stock market and fund strategies.

SUP Welfare Plan

450 Harrison Street, San Francisco CA 94105

Telephone Numbers:

- Main (415) 778-5490
- Eligibility active members/dependents (415) 778-5491
- SUP Money Purchase Plan, SUP 401(k) Plan,
Pensioner Medical Benefits (415) 778-5493
- Toll Free Number (800) 796-8003

Labor Day in Wilmington



Former MFOW Port Agent Steve Callahan carries the Stars and Stripes as the SUP and MFOW contingents marshal at Broad and E Streets in Wilmington starting the annual Labor Day solidarity March to Banning Park. Photo by Bill O'Brien.

New Pensioner

Another SUP member has joined the rank of pensioner bringing the total number of SUP members now receiving a pension to 906:

Lige Midkiff, 63, Book No. 5468, joined SUP in 1966, 27 years of seetime, basic pension.

Columbus Day Holiday

Monday,
October 13
All SUP halls
will be closed

Increased freight rates boost APL/NOL profits

APL is set to bolster parent Neptune Orient Lines' recovery on the back of surging liner freight rates. Following a better-than-expected second quarter net profit of \$68 million for NOL, driven largely by a sharp turnaround in the liner division over the three months, freight rates have continued to move up in the beginning of the third quarter. For the period June 28 to July 25, average freight rate per 40 foot box was \$2,664, a jump of 27 percent over the same period a year earlier.

With the full impact of peak season surcharges on the transpacific and continued rate recovery on Asia-Europe, rates were also up three percent over the previous four-week period. In terms of the contribution to the company's bottom line, Ron Widdows, APL CEO, said: "It increases quite significantly as you go into the third quarter."

In its latest report on NOL, stockbroker G. K. Gob has upped its full-year net profit forecast to \$356.9 million. "The third quarter will be a strong quarter given the full impact of the transpacific rate hike effective May 1, the seasonal surcharge effective mid-July and benefits from the July Asia-Europe rate hike," the report said.

The outlook also looks good for the following two years with the possibility of further rate increases next year. "NOL's solid profits are being driven by rising rates and prospects look good going into 2005 as export-driven demand should continue to outpace supply," a research note from DBS Vickers Securities said.

Widdows remains cautious but does expect a better market over the next two years backed by an improved demand-supply balance and volume growth from China. This could lead to some expansion of services from northern China, according to an article in *Lloyd's List*. "Over the next couple of years if the market continues to grow the way it has done out of north China we will develop some additional coverage to the US and Asia-Europe," he said. Along with alliance partners MOL and Hyundai Merchant Marine, APL would look to deploy newer, more efficient tonnage delivered over the last 12 months that would enable them to add extra port calls in north China on Asia-Europe and transpacific services.

INTERNATIONAL LONGSHORE & WAREHOUSE UNION

AFL-CIO



1188 FRANKLIN STREET
SAN FRANCISCO
CALIFORNIA 94109
(415) 775-0533
(415) 775-1302 FAX

JAMES SPINOSA
President

ROBERT McELLRATH
Vice President

WESLEY FURTADO
Vice President

WILLIAM E. ADAMS
Secretary-Treasurer

September 3, 2003

Gunnar Lundeborg, President
Sailors' Union of the Pacific
450 Harrison Street
San Francisco, California 94105

Dear Brothers and Sisters:

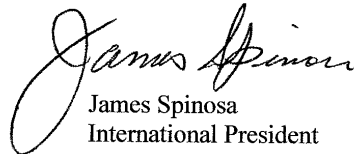
On behalf of the ILWU Longshore Division, we would like to express our most sincere appreciation for your solidarity during our greatest time of need, namely, our difficult and protracted contract negotiations with the Pacific Maritime Association.

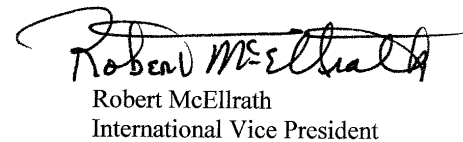
With your union's support, along with the support of the AFL-CIO, the International Transport Workers' Federation (ITF), and the International Dockworkers' Council (IDC), we were able to achieve a good contract (2002-2008) that, despite the employers' attempts to the contrary, protects our jurisdiction, as well as the pension and health care benefits of our active workforce, our retirees, and our families. After a 10-month contract struggle, our membership ratified this agreement with an 89.3% "yes" vote, the highest in ILWU history.

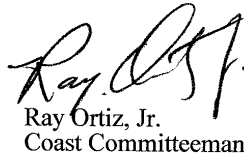
Your support will always be remembered and we hope that you will not hesitate to contact us for any reason. Let us never forget: "*An Injury to One, is an Injury to All!*"

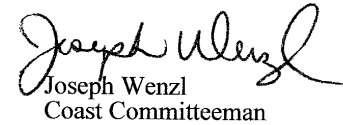
In Solidarity,

COAST LABOR RELATIONS COMMITTEE


James Spinosa
International President


Robert McEllrath
International Vice President


Ray Ortiz, Jr.
Coast Committeeman


Joseph Wenzl
Coast Committeeman

RAM/CWA39521/cc/opeiu29

AMO, MM&P reach cooperative agreement

According to an article in the August edition of the *American Maritime Officer*, the official publication of American Maritime Officers (AMO), the AMO and the International Organization of Masters, Mates & Pilots (MM&P) have resolved a long-standing dispute over AFL-CIO sanctions that barred AMO from membership in the national labor organization.

The agreement reached by the two unions will promote greater cooperation between the two organizations to further the interests of both memberships.

"This agreement will allow our unions to move forward in harmony rather than discord and to dedicate our resources to securing better conditions and more job opportunities for our respective memberships," said AMO National President Michael McKay. "We're happy to be resolving our differences and putting the past behind us."

The agreement—which was approved by McKay, MM&P President Tim Brown and International Longshoremen's Association President John Bowers—contains provisions to protect each union from raiding and to promote cooperation between the organizations in collective bargaining.

The AFL-CIO several years ago had issued sanctions against AMO for raiding. AMO was prevented from returning to the AFL-CIO after its withdrawal from the National Marine Engineers Beneficial Association in 1994 until these sanctions were resolved with the MM&P, which is the international marine division of the ILA.

Provisions of the agreement include:

- A mutual manning pass-through agreement, under which a member of one union can man a position held by the other under contract should a manpower shortage develop, allowing for all benefit contributions to pass through to the respective union's benefit plans.
- A commitment to the tripartite agreement among AMO, MM&P and MEBA for bidding on government contracts, which prevents any of the unions participating in the agreement from undercutting the other in bidding upon certain requests for proposals.

- An alternative mechanism to the AFL-CIO Article XX provisions to resolve any allegations of raiding in an expedited manner and to allow for liquidated compensatory and punitive damages for raiding.

- Monetary reparations for previous raiding violations.

The Agreement—negotiated over several weeks—was enacted in July and will remain in effect through the end of 2009.

AMO President McKay states that the agreement "ends a seemingly eternal jurisdictional dispute that has stood between AMO and MM&P for more than 20 years."

McKay recounted the dispute saying:

"Competing claims to deck officer jobs on two cable ships and some tankers led the MM&P (the Marine Division of the ILA) to file a 'raiding' complaint through the ILA with the American Federation of Labor-Congress of Industrial Organizations, which imposed sanctions on our union (then District 2 MEBA-AMO) under Article XX of the AFL-CIO Constitution. The ships and jobs at issue are long gone to both unions, but the sanctions remain.

"The AMO-MM&P agreement could change that. One clause calls for the MM&P and the ILA to 'immediately notify' the AFL-CIO that agreement has been reached and to 'advise' the AFL-CIO that AMO should no longer be considered in 'non-compliance' with the findings of the labor federation's 'impartial umpire' in the cable ship and tanker cases. The agreement does not address the specific issues that arose or the respective cases made by the two unions during the now-moot dispute.

"Lifting the sanctions could clear the way for AMO's re-affiliation with the AFL-CIO through direct charter or merger or affiliation with an AFL-CIO union. AMO became an independent union in 1994 when it withdrew *not* from the AFL-CIO, but from the National Marine Engineers Beneficial Association. Some people outside AMO have difficulty understanding the distinction, but that is another topic for another time.

"If AMO were to merge or affiliate with an AFL-CIO union at some point, the union AMO aligned with

would not risk fallout from lingering penalties on AMO. The agreement states: "AMO should be free to affiliate with the AFL-CIO without the threat of any sanctions being imposed on any AFL-CIO affiliate that agrees to affiliate AMO."

"The AMO-MM&P agreement does *not* provide for merger or affiliation. It simply acknowledges the mutual wish for "a harmonious fraternal relationship" between two unions with more in common than in contrast. Both AMO and the MM&P represent licensed seagoing professionals. Each union has weathered the steep and steady decline of the active privately-owned and operated U.S.-flagged merchant fleet since the end of World War II. Each has felt the impact of competition from low-cost foreign-flagged merchant fleets especially those flying flags of convenience. Each has endured fierce competition for jobs under Military Sealift Command and Maritime Administration charter. Each has fought—often side-by-side—on Capitol Hill and in the Executive Branch to promote the U.S. merchant fleet in foreign and domestic trade. And each has experienced aggressive encroachment by hostile third parties."

McKay added that, "Equally important is the agreement's provision renewing each union's commitment to the 'tripartite agreement' under which AMO, the MM&P and MEBA agreed to provide uniform total labor costs to employers bidding on government charters under MSC and MarAd Requests for Proposal, or RFPs. Under the tripartite agreement, competitive bloodletting is left to the ship operators—charter awards are not determined almost exclusively by the level of sacrifice reached by each of the three officers' unions."

McKay also said that, "Unfortunately, MEBA appears to have lost interest in the tripartite agreement, which had been supported in the past by MEBA's latest president. If MEBA someday decides it wants a place at this particular table once again, AMO and the MM&P will do what they can to make the important tripartite agreement work as intended." As MM&P Secretary-Treasurer Glen Banks explained, the AMO-MM&P agreement "opens the door for three officers' unions to work together for the benefit of the industry and our members."



SUP President's Report

September 8, 2003

CALIFORNIA LABOR FEDERATION CONVENTION

The efforts of anti-Union elements in California to nullify the election of Governor Gray Davis by recalling him was unanimously rejected by the delegates to a Special Convention of the California Labor Federation on August 26, in Manhattan Beach.

The convention went on record to **VOTE NO ON THE RECALL** of Governor Davis. Recognizing that there was an element of electoral risk, the Federation also recommended a **YES** vote for Lt. Governor Cruz Bustamante who is the only pro-labor Democrat running on the second part of the October 7 recall ballot.

Full coverage of the convention will be published in the September *West Coast Sailors*.

SUP delegates to the State Federation Convention were Vice President Dave Connolly, Wilmington Branch Agent Mark Hurley, Bob Burns, Keith Miller, Grant "Eli" Wegger and your secretary.

Urge all SUP members registered to vote in California to vote **NO RECALL, YES ON BUSTAMANTE**.

MATSON NAVIGATION COMPANY

As reported in July and August, Matson plans to time-charter the *s/s Great Land* from TOTE (Totem Ocean Trailer Express) to carry automobiles from the West Coast to Hawai'i.

On August 8, the SUP, MFOW, MM&P, MEBA and ARA sent a letter to Matson President and CEO James Andrasick expressing concern over the time charter and requesting a meeting to discuss the issue. The SUP and MFOW followed up with an information request letter on September 3, regarding the specifics of the transaction.

A meeting with the Unions and Matson is scheduled for September 9.

The gang for the new *m/v Manukai* was shipped on September 2 and turned-to in Philadelphia on September 4. Effective September 5, Matson became the owner of the vessel, which is expected to sail for the West Coast this week.

FOSS MARITIME COMPANY

For the past six months, Vice President Dave Connolly and delegates Tom Tynan and Mike Worth have met numerous times with Foss management to clarify issues that were ambiguous in the collective bargaining agreement.

Those issues were successfully resolved on August 25, resulting in two amendments to the contract which are subject to membership approval:

A) In the 2001-2002 collective bargaining negotiations, the Company and the Union agreed to a new and separate rate for a licensed deckhand. The specific requirements for that license were not listed, however, and so the following will provide the missing details:

The licensed deckhand rate as set forth in Section 37 of the Agreement shall be paid to all those members/employees who meet the following criteria and qualifications:

1) United States Coast Guard Master/Operator's License (100 tons or appropriately sized license for the boat he/she is on, Oceans or Near Coastal) with radar endorsement.

2) One week (7 days) employment with the Company as deckhand without a negative evaluation from a boat captain that establishes gross incompetence, negligence, or irresponsibility. If a negative evaluation is received, it shall be subject to the investigation and corroboration or dispute by the Union, and shall then be subject to the grievance procedure.

B) This will amend the Agreement between Foss Maritime Company and the Sailors' Union of the Pa-

cific covering the bunkering and petroleum operations in San Francisco Bay with specific regard to the conditions of travel outside the traditional confines of the unit.

When it is mutually agreeable for the Company to dispatch a tankerman to work outside the San Francisco Bay the following conditions shall apply:

1) He/she shall work a 12-hour straight time day. Any work in excess of 12 hours shall be compensated at the overtime rate.

2) He/she shall be compensated for actual travel time or up to four hours, whichever is less. These hours may be included in the 12-hour day.

3) He/she shall be reimbursed for all reasonable and customary expenses upon presentation of itemized receipts.

It was the consensus of the membership employed by Foss to approve the amendments. Therefore, recommend general membership approval.

Due to the reimposition of the tax on bunker fuel purchased in California for out-of-state use, sales of bunkers are plummeting with the state's bunker industry on the verge of collapse.

Foss has notified the Union that, if the tax exemption for bunker fuel is not reinstated, significant lay-offs will occur in the company's San Francisco Bay operation. Currently 32 members are employed as steady and casual tankermen, eight as engineers and eight as deckhands.

Working in conjunction with the Inlandboatmen's Union (IBU), the California Labor Federation, the Pacific Merchant Shipping Association and other employer groups (including Foss), the SUP has been actively lobbying members of the California State legislature to repeal the bunker tax. Senator Betty Karnette (D-Long Beach) has introduced legislation (S.B. 808), to accomplish that goal.

Will continue to engage action necessary to protect the interests of the SUP membership at Foss and all other workers in the industry.

SUP ELECTION: NOMINATIONS

In accordance with Article XII of the SUP Constitution, nomination of regular officers of the Sailors' Union of the Pacific for the 2004-2006 term shall commence at today's Headquarters' meeting and conclude at next week's Branch meetings. Written notice of this fact was published in last month's *West Coast Sailors* and posted at all Union halls.

Any eligible member may place his or her own name in nomination for any regular office or may be nominated by another member. Nominations may be made either in person or by mail; however, any nomination made by mail must be received at the Branch or Headquarters at least one day prior to the meeting at which nominations will be received.

The following are the regular offices of the Sailors' Union of the Pacific:

President/Secretary-Treasurer

Vice President/Assistant Secretary-Treasurer

Seattle Branch Agent

Wilmington Branch Agent

Honolulu Branch Agent

San Francisco Business Agent

SUP Building Corporation Trustees (4)

SIUNA Convention Delegates (3)

All nominees shall be notified by mail of their nomination. A list of names and nominees for each office shall be conspicuously posted in each Union hall and will be published in the September issue of the *West Coast Sailors*.

A Committee on Candidates will be elected at today's Headquarters' meeting and will meet on Tuesday, September 16, to review the list of nominees and mail notification of their nomination.

All nominees who desire to become candidates for and hold any regular office shall have the following qualifications:

- He or she is a member in good standing at the time of nomination;

- He or she achieved "B" seniority as defined in the SUP Shipping Rules; and

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

All nominees who desire to become candidates shall have the necessary qualifications and acceptance in the office of the Committee on Candidates at Headquarters prior to midnight, October 14, 2003.

The election itself shall be conducted by secret mail ballot from December 1, 2003, through January 31, 2004. In addition to the election of officers, the ballot will include a referendum on two proposed amendments to the SUP Constitution and four proposed changes to the SUP Shipping Rules.

COLUMBUS DAY

All SUP halls will be closed for Columbus Day, Monday, October 13, a holiday under all SUP agreements. Due to the holiday, the Headquarters meeting will be on Tuesday, October 14.

ACTION TAKEN

M/S to approve the amendments to the Foss Agreement. Carried unanimously.

Committee on Candidates: The following members were elected to the Committee on Candidates to convene on September 16: Duane Hewitt, Adam Dhillon. The remainder of the five-person committee shall be shipped off the hiring hall deck as per past practice.

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

Gunnar Lundeberg



The SUP delegation to the August 26 California State Federation of Labor Special Convention at the Manhattan Beach Marriott. From the left: Gunnar Lundeberg, President Secretary-Treasurer; Mark Hurley, Wilmington Branch Agent, Bob Burns, Grant (Eli) Wegger, Keith Miller and Dave Connolly, Vice President.

Vice President's Report

September 2003

Lobbying to repeal the bunker tax

On September 10 traveled to Sacramento with Foss co-delegate Tom Tynan to advocate in behalf of SB 808, the bunker tax exemption bill. After the misguided repeal of tax exemption on marine fuel sales to ships in January, the bunker market in California was weirdly stable for a few months. But as the political disturbance that shut down Venezuelan production stabilized, and as disabled Mexican refineries came back on line, and as Asian bunker prices came down, the California refueling market fell off a cliff. Most ships do not have to bunker here, and to pay an average tax of \$40,000 per load is a huge disincentive. Accordingly, sales are off by sixty percent statewide, with even worse numbers projected for the months ahead.

Foss barges in the Bay have been generally inactive, and the situation is worse in Los Angeles, affecting hundreds of tankermen and their families. Along with Brother Tynan, and working with company and industry advocates, I testified before the Assembly Committee on Revenue and Taxation about the impact of the reinstatement of the tax has had to our members, including both real and forecast job loss, diminished skills base, and reduced investment in double-hull equipment.

The bill passed out of Committee 7-0, also passed out of the Assembly Appropriations 42-0, and then went to the Assembly floor that night where it passed 76-1. The next day it cleared the Senate unanimously. We expect another round of advocacy in Sacramento, this time with co-delegate Mike Worth, to urge the Governor's signature on the bill.

The situation affecting our Foss members is part of a larger national trend of exporting good jobs overseas in the name of misguided economic policies. As NAFTA has demonstrated, and as our trade deficits confirm, the United States routinely exports good jobs overseas in exchange for...what? Low cost imports, the argument goes; but the free trade deal was also supposed expand the American economy to create new, better jobs. You don't want those dirty manufacturing jobs anyway, they told us. In the new global transfer of capital, goods and services, they said, you must adjust and retrain to become more competitive in job markets that require higher skills. But the jobs keep disappearing.

In today's business slang it's called "offshoring," a new term for an old practice that American merchant seamen were among the first to experience as the U.S.-flag fleet declined under pressure from flag-of-convenience shipping. Then manufacturing was steadily shipped offshore in the 1960's and '70's. Then came the mergers, outsourcing and sub-contracting craze of the 1980's and '90's. And now IBM is exporting hundreds of white-collar professional jobs to India, just as ChevronTexaco will fire many of its American computer programmers and hire an Indian information technology contractor. Microsoft call centers are located in Bombay, and the Bank of America has recently cut its workforce in Concord and sent the jobs to China. As the job exodus expands into the so-called "knowledge" sectors, it's clear that all the talk about creating more and better jobs with free trade was double-talk, subterfuge for ramming through policies that assist giant transnational corporations to pay less and less in taxes, employ lower and lower wage workers, and become less and less American.

Of course, free traders will say that an indictment of offshoring is protectionist and jingoistic. But what if the jobs exodus erodes the tax base that supports the huge and growing deficits of the federal government? What if American workers cannot afford to purchase the products that keep the foreign trade engine primed? Still struggling from the 9/11 recession, the U.S. economy's mysterious jobless "recovery" continues, perhaps because we are exporting jobs faster than we can create them. That claim is supported by the recent failure of Treasury Secretary John Snow to convince Chinese officials to stop keeping its currency artificially low in value, which allows manufactured goods in China to be sold on the world market for far less than any competitor. China flat out refused, because doing so might jeopardize the good paying jobs of its growing middle-class. In other words, China is protecting the jobs that the United States did not.

Although he was later discredited, convicted, imprisoned, and kicked out of Congress, former Rep. James Traficant had it right when he spoke on the House floor against NAFTA in 1997: "Madam Speaker, let us tell it like it is. The last fast track traded Ma Bell for Taco Bell. Today's fast track will trade more American jobs and dollars and factories to all of Central America for a '48 Ford pickup truck, two loads of pinto beans and three ballplayers to be named later." On another occasion he said, "American workers keep going from factories to McDonald's, from steel mills to service centers, from banks to bankrupt, and no one in Washington is even paying attention. Check it out. Free trade for Mexico, free trade for Africa, free trade for China, free trade for Europe, and massive trade deficits for the United States of America. This is not a trade policy. This is a giveaway. I yield back what high-paying jobs with benefits we have left."

Marine Transportation System

Testified on September 4 during the public comment period before a meeting of the Marine Transportation System Advisory Council in San Francisco. This group of shipowners, operators, associations, and to a limited extent, unions, advises the Secretary of Transportation on maritime matters. Foremost in their planning is the development of maritime infrastructure legislation, often called SEA-21, and patterned after the highly successful highway infrastructure funding called TEA-21, which take cargo off the nation's highways in favor of the waterways. Unfortunately, the draft recommendations to the Secretary contained a lot of discussion about physical hardware (boats, barges, docks, railhead, etc.) and next to nothing on training and manpower. Together with Capt. Richard Plant of the Masters, Mates and Pilots, and Marina Secchitano of the Inlandboatmen's Union, we urged the Council to support manning initiatives that develop qualified mariners as an elemental part of any maritime infrastructure improvement.

During the last month, in addition to the routine duties of the front office and the waterfront, I also traveled to San Diego to indoctrinate new LMSR sailors to the Union, to Los Angeles to attend the Special Convention of State Federation of Labor on the Governor's recall, and to Seattle to meet with the Pacific Coast Maritime Consortium on funding ideas for new mariner training programs such as high school academies and hawsepipe advancement.

Dave Connolly

SUP political action in Sacramento



Rank and file member Tom Tynan and Vice President Dave Connolly lobbied in Sacramento this month to repeal California's tax on bunkers. Brother Tynan works as a tankerman for SUP-contracted Foss Maritime Company on San Francisco Bay.

Sailors' Union nominations closed

Candidates must declare by October 14

Following the procedures required by the Sailors' Union of the Pacific Constitution, 42 members were nominated to fill the regular officer positions of the Union for the upcoming SUP election for the 2004-2006 term.

Those nominated who desire to run for office must declare themselves as candidates by October 14, 2003, by accepting the nomination and having the necessary qualifications. Letters of acceptance must be received by the Committee on Candidates at Headquarters (450 Harrison Street, San Francisco, California, 94105) prior to midnight on October 14, 2003.

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

The name of the candidate; his or her home address and mailing address; his or her membership number and the title of the office sought, including the name of the Port in the event the position sought is that of Branch Agent or Business Agent.

No one may be a candidate for more than one office with the exception of the position of Trustee of the SUP Building Corporation and delegates to the SIUNA Convention.

Nominees who fail to comply with stated procedures shall be regarded as having declined the nomination.

The Committee on Election/Candidates will meet after October 14 to verify the eligibility of candidates and to recommend an Impartial Balloting Agent to conduct the election in accordance with the SUP Constitution. That recommendation and the Committee's report will be acted upon at the November coastwise meetings.

The 2004-2006 secret mail ballot election of regular SUP officers will run for two months from December 1, 2003 through January 31, 2004.

Candidates for office may request and require the Union to distribute campaign literature at the candidate's request, provided that the candidate makes such request at least five working days prior to the intended date of mailing and/or distribution and provided that the candidate pay the actual cost of mailing and/or distribution at the time of each request. The cost of mailing and/or distribution shall be at the hourly rate of the Office and Professional Employees International Union (OPEIU) Local 3. Campaign literature that the candidate requests to be mailed must be ready for mailing: stamped; envelopes stuffed and sealed; or flyers stamped, folded, and sealed.

Candidates for office are entitled to submit a photograph and a statement of 100 words or less regarding Union issues for publication in a special election supplement to the *West Coast Sailors* that will be published in November. The statements and photos should be sent to the editor of the *West Coast Sailors* prior to November 1 for inclusion in the election supplement.

Each candidate may also post campaign material on a bulletin board to be set up in each SUP hall for that purpose. The candidate shall be allotted space for one legal-size page (8½" x 14") on a first-come, first-served basis.

SUP Members

Is your current address on file at Headquarters?

If not, mail, fax or email it to:
Sailors' Union of the Pacific
450 Harrison Street
San Francisco, CA 94015

Fax: 415 777-5088
email: editor_wcs@msn.com

Ballots for the 2004-2006 SUP election will not be mailed to the Union halls.

SUP Branch Reports

Seattle

August 18, 2003

Shipped during the period: 2 Boat-swains filled by 1 A card to a steady job and 1 B card to a relief fly-job to San Francisco; 13 A.B.'s filled with 3 A cards, 7 B cards; 2 C cards and 1 D registrant. 1 O.S. filled by a C-card and 12 standby's went to 9 A cards, 2 B cards and 1 D registrant.

Registered during the period: 10 A cards for a total of 35; 7 B cards for a total of 23; 1 C cards for a total of 14.

Ships checked

President's Adams, Polk, Truman and Jackson all back from the Far East with little or no trouble. Maui and Kauai in twice with lots of questions regarding the overtime directives from the Matson office. Let's hope that if Matson's Mr. Pfeiffer raises his binoculars as a ship enters the harbor and finds fault with a ships appearance his phone call is directed to the responsible party and not to those who are aboard the vessel.

Attended a fund raiser for U.S. Senator Patty Murray. Senator Murray has been a staunch supporter to both U.S. labor and U.S. flag shipping and plays a key role in port security committees in Washington, D.C.

Participated in the King County Labor Council meeting where candidates for political positions seeking labors' endorsement were interviewed, prior to the Council making recommendations.

On Sunday, August 10, the Sailors' Union stood with the Inlandboatmen's Union and ILWU Local 19 for a rally to keep Union jobs in the Washington State Ferry galleys and to tell cruise ship operators to use Union labor on Seattle docks.

Shipping continues to be good up here in Seattle with many of the jobs shipped continuing to go to ships involved in military operations in the Persian Gulf and around the world.

Some of you newer members are not putting in for your supplemental benefits (vacation pay) or renewing your drug cards when you are paying off a ship. We know everybody wants to head right home after a voyage but if you cannot make it to the hiring hall, call us and we will advise you as best we can on how to take care of business.

Vince O'Halloran, Branch Agent

Wilmington

August 18, 2003

Shipping for the period: Bosun: 2, AB: 11, AB Maint.: 4, Standby: 57. Total Jobs Shipped: 74.

Registration: A: 58, B: 21, C: 13, D: 3.

Ships checked

Lurline, President Jackson-Ed Sandro, delegate, R.J. Pfeiffer-Jim Meador, delegate, APL Singapore, Mokihana, Ewa-Joe McDonald, delegate, Lihue-Dave Kaupiko, delegate, APL Korea, Manoa, Lurline-Jim Clay, delegate, President Adams-Larry Gately, delegate, R.J. Pfeiffer, Ewa-Phil Howell, delegate, APL Philippines, Mahimahi, President Polk-Juan Magana, delegate, USNS Shughart-Inti Sternbach, delegate. Arrived from Kuwait, completing an around the world trip with no beefs! Good Job. Matsonia-Art Kardinal, delegate, APL China.

On July 21, after our meeting, I attended a Veteran's Memorial meeting and later that evening a Los Angeles California Federation of Labor meeting with Eli Wegger, our SUP delegate. The main subject of that meeting was—NO RECALL! The recall is not a recall of the governor but of workers' rights.

On the night of July 31, we hosted a Harbor Labor Coalition Meeting. We are getting ready for our annual parade. On August 8, attended a MTD meeting. MFOW Port Agent Bill O'Brien and I are working on a scholarship program through the MTD to fund Basic Safety Training.

The annual LA County Federation of Labor Bar B Q was held on August 11. Our own delegate, Eli Wegger, ran into the governor's wife, Sharon Davis, and spoke with her about supporting her husband at this very crucial time. Over 800 Union people showed up.

The marlinspike class was held on the Lane Victory on August 13. Vice President Dave Connolly, Bill O'Brien and I brought LAPD Labor Relation Officers Deborah Aoki, Maria Gonzalez, Ruben Ornelas and William Guerrero to Sven's famous lunch. These officers, who have always supported our Unions, enjoyed the lunch and ship tour. After lunch, Dave, Bill and I made the USNS Shughart. She just returned from Kuwait completing an around the world trip. Dave talked with the delegate and gang at length and learned that they worked hard and made money. The Captain had nothing but praise for the bosun and sailors.

On August 14, hosted another Harbor Labor Coalition Meeting. The Labor Day Parade is two weeks away. Please come and march with us on September 1. This is the 24 annual event. Let's again show the country that harbor labor is strong and united.

Matson has cut maintenance overtime for watchstanders. They've even attempted to cut into our minimum all hands work—clear decks, wash down, port prep and stores. Hopefully, we'll get back to normal soon. Even ASM now knows that dayworkers alone cannot maintain these ships.

Carl Ziegeler will relieve me for one day while I go to a special California Federation of Labor Convention on August 26.

Mark Hurley, Branch Agent

Honolulu

August 18, 2003

During the month of July, dispatched the following: 1 bosun return, 8 A.B.'s, 4 AB reliefs, 6 AB returns, and 2 O.S. These jobs were filled by 8 A members, 9 B members, 3 C members and 1 D registrant. Also shipped 30 standby jobs filled by 2 A members, 3 B members, 18 C members and 7 D registrants for a total of 51 jobs shipped.

During the month of July, registered the following: 10 A members, 11 B members, 4 C members and 4 D registrants. To date, registered are: 9 A members, 8 B members, 5 C members and 4 D registrants for a total of 27 registered.

Ships checked

Maui, Lurline, Chief Gadao, Matsonia, Kauai, Ewa, R.J. Pfeiffer, Lihue, and Manulani. All with few or no problems. Paint and rigging gang running smoothly with Keith Kamana as bosun. Gang busy with barge Islander lay up.

On August 20, attended the Hawai'i Ports Maritime Council meeting. Had our annual scholarship award presentations for Labor Day activities.

San Francisco Business Agent

Visited and paid off the following ships:

Kauai—George Simpier, delegate: Hawai'i, Seattle, San Francisco-run; no disputes.

Lihue— David Kapiko, delegate: In for a short time, few clarifications; running smoothly.

Mahimahi— Rogelio Beriso, delegate: Voyage pay off; clean with no disputes.

Manulani— Robert Reed, delegate: Singapore Sid bosun; no disputes.

Matsonia— Art Kardinal, delegate: In for first time since coming from the shipyard in China. No disputes.

Maui— Trev Motlow, delegate: No disputes, running smoothly.

Mokihana— Stanley Lane, delegate: Voyage pay off; running smoothly.

R.J. Pfeiffer— Ernest Stimach, delegate: Ship's going from Los Angeles to Hawai'i; no disputes.

SUP brothers "hang loose" on Labor Day



The SUP contingent shows the colors before beginning Honolulu's Labor Day March. Flanking the SUP banner are: Charlie Duke, John Lindsey, Honolulu Branch Agent Mike Duvall, Robert Darcy and Tom James. Not pictured Billy McAndrew, John Benson and Fred Trench. Photo by Sripin James.

On August 26, Hawai'i Teamster Union Local 996 Bus Drivers went on strike against the O'ahu Transit Authority. The SUP Honolulu membership stands in full support of the drivers in their job action.

On September 1, the SUP marched in Honolulu's Labor Day Parade. Wish to thank the following members for their participation in this long march. Charles Duke (carried banner), Sripia, and Tom James, Robert Darcy, Bill McAndrew, John Benson, John Lindsey, and a special kudos to our senior marcher Fred Trench.

Mike Duvall, Branch Agent

Norfolk Office

August 2003

In the month of August, shipped 2 ABs, filled by 1 B member and 1 D registrant.

Traveled to Savannah, paid off the Bob Hope. Everyone was glad to leave, laughing all the way to the bank. Good ship good crew.

I have three ships out in Newport News, waiting orders, but remaining in Full Operating Status.

Jack Stasko, SUP Rep

President Grant— Ray Mendoza, delegate: Voyage pay off; no disputes, good gang.

APL Singapore— Frank Dufek, delegate: Voyage pay off; good shape, no beefs.

APL Thailand— Linda Cramp, delegate: Voyage pay off; disputed time not payable.

USNS Shugart— Inti Sternbach, delegate: Docked at Pier 96; first time on West Coast after four month trip supporting war effort. Crew did an excellent job with no disputes.

ASM Steam Rack— All going well.

Pilot Boats— Running smoothly at Pier 9; Steve Messenger, delegate.

Also worked in the front office during the month.

William Berger

Dispatcher's Report

Headquarters—Aug. 2003

Deck	
Bosun	5
Carpenter	0
MM	5
AB	13
OS	2
Standby	10
Total Deck Jobs Shipped	35
Total Deck B, C, D Shipped	11
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. ...	35
Total B, C, D Shipped-All Depts. .	11
Total Registered "A"	72
Total Registered "B"	72
Total Registered "C"	10
Total Registered "D"	10