




# West Coast Sailors

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## U.S. poverty soars as income declines

The nation's poverty rate spiked to 15.1% in 2010, the highest level since 1993, the Census Bureau reported on September 13, providing vivid new evidence about the country's inability to escape the lingering effects of the recession.

About 46.2 million Americans lived in poverty last year, marking an increase of 2.6 million over 2009 and the fourth consecutive annual increase in poverty.

The total number of people living below the poverty line—which in 2010 was set at an income of \$22,314 for a family of four—is at the highest level in the 52 years the statistic has been collected.

The continued rise in poverty was the latest manifestation of a troubled economy that has left 14 million Americans out of work and caused unemployment to hover above 9% for 25 of the past 27 months.

As poverty has spiked, median household income declined by 2.3% to \$49,445 between 2009 and 2010. The typical household now earns less than it did in 1997, when inflation is factored in, a troubling sign of economic stagnation.

The decline in income has been most pronounced among those who earn the least. Overall, median household income has declined by 7.1% since peaking in 1999. The bottom 10% of earners have seen their income decline by 12.1%, while the top 10% have experienced a decline of 1.5% in that time period, the Census Bureau reported.

Among children, the poverty rate climbed to 22%. The black child poverty rate climbed 39%, while the Hispanic child poverty rate reached 35%. The white child poverty rate was 12.4%.

Overall, Hispanic children account for 37% of the children in poverty, a share that has gone up substantially since 2009, according to William Frey, a Brookings Institution demographer.

At the same time, record numbers of women were living in poverty, according to an analysis of the census data by the National Women's Law Center. The report found that the recession was forcing hard-pressed Americans, particularly the young, to double up in households with relatives and friends.

## Jones Act waivers draw fire from industry and Congress

Notwithstanding the availability of U.S.-flag, Jones Act-qualified tonnage, the Maritime Administration recently issued a series of non-availability rulings that have resulted in more than 45 waivers of the Jones Act. The waivers have allowed foreign-flagged, foreign-crewed vessels to carry oil from the Strategic Petroleum Reserve (SPR), denying American ships the business and American crews the jobs.

The Sailors' Union has joined other in the industry in vigorously protesting the waivers.

"At this time of high unemployment, we are appalled that the government would take such actions," said the AFL-CIO Maritime Trades Department (MTD), in a statement released on behalf of its affiliates, including the SUP. "When it comes to transporting the reserve oil, U.S. mariners and U.S. ships are ready and able —yet they've been left at the docks."

In issuing the waivers for the carriage of strategic petroleum reserve oil, the current Maritime Administration has issued more Jones Act waivers than have been issued by all previous Maritime Administrations com-

bined, the MTD pointed out.

"This has literally flabbergasted the American maritime industry," said Christopher Coakley, Vice President for legislative affairs at the American Waterways Operators, an association of domestic ship and barge operators. "The idea was to create American jobs and help the economy. But all the profit from the sale of the oil has gone to traders and oil companies and all the profit from movement of the oil has gone to foreign shippers and crewmen, and that's galling."

In late June, the Obama Administration, acting in concert with the 27 nations of the International Energy Agency, released the oil from the Department of Energy's Strategic Petroleum Reserve to make up some of the shortfall caused by the conflict in Libya. The administration said it wanted to get the oil to market quickly to lower prices and ensure supplies for the summer travel season. To meet that goal, it set very short deadlines for transporting the crude.

To waive the Jones Act, the president must find that there is a national security emergency and that domestic carriers are

not available in a timely manner. The cutoff of oil from Libya and a lack of large-capacity American tankers provided the legal rationale for circumventing the law.

Representative Peter T. King, the New York Republican who is Chairman of the House Homeland Security Committee, said that it appeared that the administration had met the formal requirements for waiving the Jones Act, but he questioned the political and economic wisdom of doing so. "The spirit of the law is when possible, use a U.S. vessel, especially in tough economic times," King said. "I think it has to hurt the American economy, hurt the maritime industry and affect American jobs."

The government originally issued a blanket waiver, allowing the oil buyers to use foreign ships without prior approval, as it had when it released oil from the strategic reserve after Hurricane Katrina in 2005. When the industry protested the proposed blanket waiver in June, the administration said it would review each application. To date, there have been 47 shipments of oil from the caverns in Texas and Louisiana where the petroleum reserves are stored, according to maritime industry officials. One 150,000-barrel shipment moved on a domestic barge. Administration official said that the oil was sold in large lots, most of them 500,000 barrels or more, and the dozen or so oil companies and traders that bought them found it faster and more economical to move the oil on 500,000-barrel capacity ocean-going tankers rather than on American-owned coastal barges. With only a couple of exceptions, the coastal barges tend to hold 150,000 barrels or less.

Clark Stevens, a White House spokesman, said the administration tried to accommodate the domestic maritime industry by lowering the minimum lot size and by considering individual

## Former SUP Vice President Duane Hewitt dies

Duane Hewitt, who served the SUP with distinction for 26 years as Business Agent and Vice President, died on August 22, after a long illness.

Born in Plattsmouth, Nebraska on November 8, 1928, Duane joined the Sailors' Union in December 1944 to begin a seagoing career.

In 1974 he was appointed by former SUP Secretary Morris Weisberger as Welfare Representative/Business Agent. In 1978 he was elected Business Agent in his own right until

1994, when he was elected the Union's Vice President. He was re-elected in 1996 and 1998, then retired in 2000.

He is survived by his wife Carole; daughter and son-in-law Linda Hewitt and James Clugston; son and daughter-in-law Michael Hewitt and Amy Bodek; granddaughters Jamie Clugston and Alexandra and Annika Hewitt, a brother, James Hewitt; sister-in-law Barbara Hewitt; and many nieces and nephews.

At Duane's request there were no services. For more on



Duane Hewitt

Brother Hewitt, see SUP Secretary Gunnar Lundberg's report on page 10.

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# SUP Honor Roll

Voluntary contributions from the membership to the following funds:

## Organization/General Fund

Robert Burns .....	50.00	Robert Greene .....	50.00
David Eriksen .....	100.00	Rex Harper .....	50.00
Oliver Franceliso .....	35.00	Norman Kurtz .....	25.00
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## West Coast Sailors

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Steve Campbell .....	300.00	Brendan Bohannon .....	50.00
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## Dues-Paying Pensioners

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Donald Cushing	Book #4777
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Kaj E. Kristensen	Book #3120
Eli Lalich	Book #4062
Stanley Lane	Book #4106
James K. Larsen	Book #4055
Volkert Lories	Book #4097
Duane Nash	Book #2437
John Perez	Book #3810
Alex Romo	Book #3193
Francisco Salvatierra	Book #7498
James Savage	Book #7488
Ralph Senter	Book #7323



In Oakland on September 1, sailors in the Mahimahi are standing by for crane operations. From left to right is AB John Gabourel, AB and SUP delegate Jimmy Alarcon, and AB Jim Stelpstra. Photo: Dave Connolly

## Former ILA President Bowers dies

John M. Bowers, 88, who served as the President of the International Longshoremen's Association (ILA) from 1987 until 2007, died on August 21.

Bowers was elected as the seventh president in the ILA's 114-year history in July 1987, after having previously served as ILA Executive Vice President for the previous 24 years. The ILA, which was first organized along the Great Lakes region in 1892, now represents workers on the Atlantic and Gulf Coasts, Great Lakes, major rivers in the United States, Puerto Rico and Eastern Canada. The International Organization of Masters, Mates and Pilots; the United Marine Division Tugboat Workers; and Supreme Court Officers' Association are all affiliated with the ILA.

Bowers also held elected positions as a vice president and executive board member of the AFL-CIO. He also was president of the ILA's Atlantic Coast District for 20 years; and was vice president on the Boards of the AFL-CIO's Transportation Trades Department and Maritime Trades Department.

"The ILA family and the entire labor movement has lost one of its most outstanding and important figures in John Bowers," said recently elected ILA President Harold Daggett. "John Bowers helped shape this ILA into one of the most successful Unions."

During his tenure as president, Bowers excelled as the Union's chief negotiator, allowing ILA members to become

one of the highest paid maritime workers in America. ILA members also enjoyed excellent welfare and pension benefits. He earned high respect and praise among ILA employers for bringing stability and growth to the industry. In addition to his duties with the ILA, Bowers also held a position on the Executive Board of the International Transport Workers Federation (ITF), a worldwide labor organization representing more than six million transport workers in 78 countries. He was elected as a Vice President to the ITF in March 1990, and re-elected in 1994, 1998, and 2002. He also served as the onetime Chairman of the ITF's Dockers Section.

A native of Manhattan, Bowers is survived by his wife, Marcy, their two children John, Jr. and Christine, and one granddaughter. Bower's son serves as the ILA's Legislative and Government Affairs Director and is a Vice President on the ILA's Executive Council.

## SUP Meetings

These are the dates for the regularly scheduled SUP meetings in 2011:

	Hdq.	Branch
October	Tues. 11	17
November	14	21
December	12	19

## Final Departures

**Forest Christian**, Book No. 4691. Born in Ohio in 1925. Joined SUP in 1951. Died in Covington, Washington, July 27, 2011. (Pensioner)

**Duane Hewitt**, Book No. 5748. Born in Nebraska in 1928. Joined SUP in 1944. Died in Concord, California, August 22, 2011. (Pensioner)

**Emil Hernandez**, Book No. 5803. Born in California in 1937. Joined SUP in 1967. Died in Las Vegas, Nevada, July 31, 2011. (Pensioner)

**Edward Bowman**, Book No. 5706. Born in California in 1933. Joined SUP in 1968. Died in Concord, California, August 20, 2011. (Pensioner)

## British report on mariner's death

Insufficient manpower and "poor" seamanship practices were the main causes of a seafarer's death in Scotland earlier this year, according to a British Marine Accident Investigation Branch (MAIB) report. On March 13, Boguzlaw Kopec was dragged into the sea after being caught between a tightening mooring line and the guardrail on *Forth Guardsman*, a landing craft owned by Briggs Marine Contractors that had been laying a power cable between the Scottish islands of Jura and Islay.

The report relates how in the evening the vessel was attempting to tie up to a mooring buoy when Kopec was caught in an open bight, which closed around him and trapped him against the guardrail. As the weight of the wire could not be released quickly enough, he was dragged overboard. Although he was recovered from the water he died of his injuries. The report said: "The investigation found that insufficient manpower had been assigned for the mooring operation, some risks had not been identified properly, seamanship practices on board were poor, and emergency communication procedures were inadequate."

### Timely Reminder

**Fourth quarter 2011 dues are due and payable now!**

### SUP Constitution ARTICLE VI DUES AND INITIATION FEE

Section 1. The initiation fee shall be Sixteen Hundred Dollars (\$1,600.00) payable in installments with the sum of One Hundred Dollars (\$100.00) being due and owing upon the members's admission into the Union and the balance of Fifty Dollars (\$50.00) per month for each month or part thereof in SUP-contracted vessels.

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

## West Coast Sailors

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## Domestic shipping interests claim Jones Act violations

Domestic shipping interests in the United States have made two Jones Act claims against Escopeta Oil and Gas Company and the Department of Energy (DOE).

In the first case, U.S.-flag shippers claim that Escopeta violated the Jones Act by using non-U.S.-flagged vessels to help move a jacked-up oil rig from the Gulf of Mexico to Cook Inlet in Alaska.

The Jones Act requires all cargo moving between two points within the United States to be moved on ships that are flagged and built in the United States as well as crewed by Americans unless granted a waiver by the U.S. Department of Homeland Security (DHS). A spokesperson with the DHS said that the Customs and Border Protection Agency, which is in charge of enforcing the Jones Act, is assessing the situation.

The controversy pertaining to Escopeta began in March when the company asked Chinese shipping company COSCO to transport an oil rig from Freeport, Texas, to Alaska, in an apparent violation of the Jones Act. However, Escopeta president Danny Davis contends that there was no Jones Act vessel capable of transporting the rig from the Gulf of Mexico, around the southern tip of South America and onward to its final destination, a claim heavily disputed by the U.S. shipping industry. Davis also said that the rig in question was too wide to pass through the Panama Canal and the waters around Cape Horn were too rough to use a domestic barge. He also claims that

Escopeta was in possession of a Jones Act waiver, issued by DHS in 2006, to transport a rig via a foreign-flag vessel. But in November of 2010, the DHS revoked that waiver, claiming that it was no longer applicable and that Jones Act waivers "address specific voyages undertaking specific voyages, they are neither open-ended nor transferable."

It is unclear what, if any, fine Escopeta could face if it is found in violation of the Jones Act. If there is little or no fine, it is likely to create a further outcry by the domestic shipping industry. If the fine is substantial, Escopeta may be able to get it reduced on appeal, according to lawyers within the maritime industry.

In the second case, domestic carriers claim that the Maritime Administration (MarAd) violated the Jones Act when it approved foreign flagged tankers to transport oil along coast wide routes from the Strategic Petroleum Reserve (SPR) in the Gulf Coast. This issue has been under question since June when the DOE announced that it would release 30 million barrels of oil from the SPR as part of an international effort to stabilize global oil markets after Libya stopped producing as a result of the unrest in that country.

A spokesperson with the American Waterways Operators said that MarAd violated the spirit, if not the letter, of the Jones Act by ignoring the availability of Jones Act ships and barges. MarAd reported that seven carriers offered 19 vessels with a combined capacity of more than 2.2 million barrels.

## Battleship *Iowa* heading to San Pedro

The battleship *USS Iowa*, laid-up in Suisun Bay, California, for the past ten years, will be towed to Los Angeles by the end of the year and become a floating museum ship in San Pedro.

Over the past several years, San Francisco, Stockton and Vallejo have vied to homeport the historic vessel. The U.S. Navy decided the battlewagon—nicknamed the "Big Stick"—would receive more visitors in San Pedro.

Congresswoman Janice Hahn, who formerly represented San Pedro on the Los Angeles City Council, was a key player in obtaining the ship.

The *Iowa* will be operated by the non-profit Pacific Battleship Center, which hopes the vessel will be open for visitors next summer. Organizers say the ship will create 100 onboard jobs and boost the local economy by approximately \$250 million over ten years. They estimate the ship will host 450,000 visitors a year.

The *Iowa* was built at the old New York Navy Yard and launched on August 27, 1942. Her sisterships are the *New Jersey*, *Missouri* and *Wisconsin*. Nearly three football fields long and more than 14 stories high, the *Iowa* is one of the biggest warships ever built. On its last trip to San Francisco, sailors had to trim its mast by 13 feet to fit under the Golden Gate Bridge.

The *Iowa's* record is storied. During World War II, she carried President Franklin D. Roosevelt across the Atlantic to Casablanca en route to a crucial 1943 meeting in Tehran with British Prime Minister Winston Churchill and Soviet leader Josef Stalin. It is the only U.S. Navy battleship with a bathtub—an amenity installed for Roosevelt, along with an elevator to shuttle him between decks.

Transferred to the Pacific Fleet in 1944, she shelled beachheads at Kwajaleen and Eniwetok in advance of Allied amphibious landings and screened aircraft carriers operating in the Marshall Islands. She then protected American carriers during air strikes against the Philippines to neutralize Japanese air power. Sailing for Formosa (Taiwan), the *Iowa* again shelled enemy forces to protect American planes and then did the same off Okwana. In October, 1944, she shelled Luzon during General Douglas MacArthur's landing at Leyte. The *Iowa* was in the thick of the action during the Battle of Leyte Gulf, the Imperial Japanese Navy's last-ditch attempt to halt the United States' campaign to recapture the Philippines.

After shelling targets on Honshu, the *Iowa* served as the flagship for Admiral William F. "Bull" Halsey at the Japanese surrender in Tokyo Bay.

During the Korean War, the *Iowa* was again active in shelling enemy positions and in support of American air strikes.

Decommissioned in 1958, she was reactivated in 1984 and participated in many missions, including escorting U.S.-flag tankers through the Strait of Hormuz in 1987. In April 1989, an explosion of undetermined origin wrecked her #2 gun turret, killing 47 sailors. The *Iowa* was decommissioned for the last time in 1990.

In 2001, she was towed from Newport, Rhode Island to Suisun Bay, a 5,700-mile voyage that took 43 days and cost \$3 million.

The *Iowa* will undergo some work in a San Francisco drydock before being towed to San Pedro. Her sisterships are all floating museums: the *New Jersey* is in Camden, New Jersey; the *Missouri* in Pearl Harbor and the *Wisconsin* in Norfolk, Virginia.

## San Francisco pickets on Labor Day



Photo: Terry Lane

SUP members Paul Fuentes, Derek Runyan, Randy Runyan, Gunnar Lundeberg, and SIU-AGLIWD member Jerry Gallo pictured in Union Square prior to the Labor Day action in San Francisco, in support of HERE Local 2's strike against Hyatt hotels.

Hundreds of labor activists from nearly every Union in San Francisco and from numerous progressive community and faith groups joined UNITE HERE Local 2 on Labor Day, to let hotel giant Hyatt know San Francisco will not tolerate this kind of corporate bad behavior. They assembled in swanky Union Square, and then took to the streets, a flood of Union colors, banners and chants disrupting shoppers and tourists. For a warm-up, the march stopped at the nearby Hotel Frank, as chants of "Union Power" reverberated in the narrow streets with tall buildings. Wells Fargo took over the hotel in a foreclosure 18 months ago. The new management refuses to recognize the Union that's been there for 40 years, workloads have increased as staff is cut, and the state of medical benefits and pensions remains undecided. Local 2 has led a boycott of Hotel Frank since, and the picket lines continue there several times a week.

Then it was onto the Grand Hyatt. The entire block in front of its entrance filled with a circling picket as the Brass Liberation Orchestra provided a funky musical backup for dancing marchers and chants.

The crowd then moved to the adjacent Hyatt Plaza, swarming the steps and forming a raked audience as Local 2 President and President of the San Francisco Labor Council Mike Casey explained the situation at the Hyatt.

Workers there and at the Regency Hyatt down on the Embarcadero have been working without a contract for more than two years. The issue holding up an agreement is a "solidarity" clause the Union has put on the table. Hyatt workers want to modify the contract's no-strike language to allow them to not just honor a picket line of other Hyatt workers, but to join it and take boycott action in support. There are currently 17 Hyatt hotels being boycotted and seven in organizing drives—two of them in the Bay Area. The workers have already walked out twice in the course of negotiations, and another strike is likely in coming weeks. Solidarity forever!

## Teamsters files suit to stop U.S.-Mexico truck program

The International Brotherhood of Teamsters filed a lawsuit this month in an attempt to block the Obama administration's plans for a cross-border trucking pilot project with Mexico. The U.S. Department of Transportation (DOT) is expected to allow the first Mexican carriers to join the three-year pilot project to role into the United States this month.

The Teamsters along with the consumer advocacy organization Public Citizen filed the lawsuit against the DOT and its Federal Motor Carrier Safety Administration (FMCSA) in the U.S. Court of Appeals in San Francisco. Both interests have long opposed granting Mexican truckers greater access to the U.S. beyond the border commercial zone. The Union and its allies believe that the program will cost jobs in the United States and have questioned the safety record of Mexican truckers that could be involved

in the program.

The White House and the Mexican government signed an agreement back in July that establishes a new cross-border trucking program which eliminated \$2.4 billion in punitive tariffs that Mexico levied against a wide range of U.S. goods after the Obama administration and Congress agreed to stop the Bush-era, cross-border trucking program back in 2009.

The FMCSA anticipates that only a limited number of carriers will apply for the new program. The previous program saw only 29 carriers with a total of 100 vehicles enrolled.

The current program would offer Mexican carriers the same opportunity that many Canadian trucks currently enjoy in the U.S. but Mexican truckers that eventually receive U.S. operating authority would still be barred from transporting domestic freight within the United States.

**ATTEND YOUR UNION MEETINGS**

## House T&I Committee approves two maritime measures

The United States House Transportation and Infrastructure (T&I) Committee approved two maritime bills on September 8, the Coast Guard and Maritime Transportation Act of 2011 (H.R. 2838) and the Piracy Suppression Act of 2011 (H.R. 2839). Both bills passed the T&I Committee on voice votes.

H.R. 2838 calls for the reauthorization of the budget for the United States Coast Guard (USCG) for fiscal years 2012 through 2014. The bill was introduced by Representative Frank A. LoBiondo (R-New Jersey), who chairs the House Coast Guard and Maritime Transportation Subcommittee and cosponsored by T&I Chairman John L. Mica (R-Florida). It calls for the USCG to operate with a budget of \$8.49 billion for FY 2012, \$8.6 billion for FY 2013 and \$8.7 billion for FY 2014. The bill also gives the USCG and its personnel greater parity within the Department of Defense.

"While Congress continues to consider extensions for FAA and surface transportation programs, my goal is to pass a Coast Guard reauthorization before the Service's existing authority expires," Mica said.

H.R. 2838 makes a number of changes within the USCG administration, including the prohibition of the production of a sixth national security cutter until capabilities are put into place for the first five. The bill also makes provisions to improve the safety and efficiency of the maritime transportation system and increase the number of jobs within the maritime industry.

The second maritime bill approved by the T&I Committee, H.R. 2939, increases the penalties levied by the U.S. against those who engage in acts of piracy to include the death penalty. The bill also improves an existing training program that instructs mariners on the protocols for acceptable use of force to be used against pirates, authorizes the use of armed security guards on vessels containing government impelled cargo through waters considered to be of a high risk nature, encourages other countries to contribute to efforts by the international community to suppress piracy and includes a report on ways to improve American efforts to track the movement of money and ransom payments throughout the Somali pirate networks.

"H.R. 2839 protects American seafarers and property, enhances the legal tools available to prosecutors, provides incentives to other nations to suppress piracy, and examines ways to better track pirate finances," said LoBiondo, who introduced the legislation.

## Jones Act waiver draws fire continued from page 1

waivers. The administration would have preferred to use American ships but they were not available, he said.

Government officials said that since 1995, 39 American-flagged, large-capacity tankers had been taken out of commission, leaving only nine such ships, which generally are used on runs to the West Coast from Alaska. None were available on the short timeline dictated by the government, officials said.

Maritime operators said there was sufficient domestic shipping capacity available, although it would have required breaking the oil shipments into smaller lots, increasing the cost and prolonging delivery times.

Mr. Coakley of the Waterways Operators said that domestic jobs should have been more important than the speed of delivery. "The urgency of that timeline is ridiculous when you consider that today, two months after the sale of the oil, almost 10 million barrels of the 30 million barrels released hasn't yet been transported," he said.

Criticism of the Jones Act waivers escalated on August 26, when Senator Mary Landrieu (D-Louisiana) sent a bipartisan letter to President Obama and members of the administration urging the use of domestic vessels and American mariners in order to create jobs and improve the U.S. economy.

The letter from Senator Landrieu, who is Chair of the Homeland Security Appropriations Subcommittee, was also signed by U.S. Senator David Vitter (R-Louisiana) and U.S. Representatives Charles Boustany (R-Louisiana), Elijah Cumming (D-Maryland), Peter King (R-New York), Candice Miller (R-Minnesota); Bennie Thompson (D-Mississippi) and Pete Visclosky (D-Indiana).

"We strongly urge the Administration to end the practice of waiving the

**Jones Act for SPR oil distribution and handing American jobs to foreign shipping companies," the letter reads. "The rash of recent waivers, exacerbated by a lack of transparency in the decision-making process, represents a stain on the Administration's determined effort to create jobs and improve the economy here at home, and it should therefore be rectified immediately."**

**The 90-year-old Jones Act requires the use of American vessels and American seafarers when moving cargo between two points in the United States. Since President Obama's decision in June to release oil from the SPR, the Administration has waived the Jones Act 46 times —despite the fact that U.S. vessels are ready and available to transport the oil.**

**"The Administration's current policy provides jobs to foreign seafarers while American seafarers stand by ready to help. In waiving the Jones Act, the Maritime Administration apparently has determined that no American ships are 'available.' We would appreciate your assistance in understanding why U.S. vessels that are in the full-time commercial business of transporting oil, are far more experienced in coast-line movements of oil than any foreign flag operations, exceed the barrel capacity as defined by the DOE, are owned, controlled and operated by Americans, are not considered 'available,'" according to the letter.**

**In their letter, Senator Landrieu and the other signees note that the Administration will waive the Jones Act more times since the June SPR release than in all previous Administrations combined over the entire 90-year history of the federal law. They also criticized the Administration's "lack of transparency" in conducting these Jones Act waivers, say that "at the very least, the American shipping industry is owed an**

## Iran conceals fleet under Hong Kong flag

This June, a merchant ship flying the Hong Kong flag and sailing under the name *Atlantic* called at the Mexican port of Lazaro Cardenas. That might be unremarkable, except the *Atlantic*, formerly named the *Dreamland*, and before that the *Iran Saeidi*, belongs to a network of 19 bulk carriers, all flagged in Hong Kong and all blacklisted by the U.S. Treasury Department for their links to Iran.

According to Hong Kong's Marine Department Shipping Register, the *Atlantic* is owned by a Hong Kong-registered company called Harvest Supreme Limited. Harvest Supreme tracks back to an Iranian address, as do 18 other obscure and interlinked Hong Kong ship-owning companies. These are the hallmarks of the global shell game with which Iran continues to dodge U.S. and United Nations sanctions.

The game began around 2008, when the United States imposed sanctions on Iran's state shipping company, the Islamic Republic of Iran Shipping Lines (IRISL), for its role in carrying cargo destined for Iran's rogue missile and nuclear program. The Treasury Department also blacklisted a slew of IRISL affiliates and 123 of its ships, including the 19 vessels registered in Hong Kong making it potentially a crime under U.S. law to do business with them.

IRISL responded by camouflaging much of its fleet, reflagging and renaming scores of its blacklisted ships. It farmed out some to newly minted affiliates and created shell companies abroad to serve as nominal owners. Behind the scenes, IRISL retained control.

The ships themselves remain easy to identify via their International Maritime Organization hull numbers which are issued to all cargo vessels over 300 gross tons. But these numbers don't always appear on cargo documentation. This can make it difficult for people to understand with whom they're doing business.

The Treasury Department over the past year has added more than 100 IRISL-affiliated individuals, companies and ships, in places from Germany to Malta, the United Arab Emirates, Singapore and Hong Kong.

Before the 19 ships blacklisted by the Treasury Department were registered in Hong Kong, they were registered in Iran and owned by IRISL, according to *IHS Fairplay*. The vessels then, again according to *IHS Fairplay*, had names such as *Iran Mufateh* and *Iran Nauab*. In their initial Hong Kong incarnation, most were given new names starting with "D", such as the *Diplomat* and *Destiny*. In 2009 they were all renamed again. Currently, all 19 ships have names starting with the letter "A". One of the vessels is ironically named the *Alias*!

By early this year, all 19 ships had gone through two rounds of nominal ownership by shell-companies registered in Hong Kong, according to the *South China Morning Post*. The U.S. Treasury has blacklisted the shell-companies involved. But as of late July, Hong Kong Shipping Registries showed all 19 vessels had already come under new ownership by 19 companies not on public watch lists, one ship per company.

All 19 of these companies share the same Hong Kong address. Corporate documents for all companies show that each has the same corporate nominee, a firm in the British Virgin Island (BVI) called Nominee Director & Shareholder Limited. For each of the 19 companies, this BVI shareholder has appointed the same sole director. That director is yet another new Hong Kong company, incorporated last November: King Power Holdings Limited.

According to Hong Kong corporate registry documents, King Power's sole director is an outfit called Kish Roaring Ocean Shipping Company which is headquartered on Kish Island, Iran.

For the 19 ships at the Hong Kong end of Kish Roaring's interests, there are two more common threads. According to *IHS Fairplay*, all 19 ships have called Iran within the past 18 months. Their agent is H&T International Transportation Limited, which is majority-owned by China's state-owned China Hualian International Trading Company.

For the past three years H&T with the Port of Antonio, Texas, tried to beef-up shipping between San Antonio and Lazaro Cardenas. According to the Port of San Antonio, it had not been told that H&T in Hong Kong has been serving the agent for 19 ships on the Treasury's Iran sanctions blacklist.

Meanwhile, at least seven of these blacklisted vessels have called at Lazaro Cardenas within the past 15 months.

Perhaps it's time the world's sanctions enforcers took a closer look at this setup.

## Agencies fall behind on tanker security

Coast Guard and Federal Bureau of Investigation investigators are yet to complete work needed to protect the tanker trade from terrorism in U.S. waters, according to government investigators.

A report released last month by the Government Accountability Office (GAO) said the Coast Guard and the FBI have completed just two of five tanker security recommendations made by the GAO in 2007.

The two agencies have developed protocols for resuming trade following supply chain disruptions in the event of an attack against a tanker, and have run port exercises of response plans. But a national strategy for securing dangerous cargoes is still incomplete, the GAO noted. Also, the agencies are yet to integrate national spill and terrorism response plans, and have not developed performance measures to use in prioritizing response resources.

The report highlighted the importance of such policies in light of recent targeting by terrorists of tankers and offshore facilities. Intelligence released in May showed continuing interest by members of al Qaida in targeting tankers at sea and offshore facilities. An explosion involving the *VLCC M Star* in the Strait of Hormuz last year was determined to have been a terrorist attack.

# Somali pirates sentenced to life in killing of four Americans

Somali nationals Ali Abdi Mohamed and Burhan Abdirahman Yusuf were sentenced to life in prison in a federal court in Norfolk, Virginia, on August 22, for their roles in a pirate attack against the *S/V Quest* that resulted in the murder of four American citizens.

Mohamed and Yusuf had previously pled guilty to piracy, which carries a mandatory life sentence. Nine co-conspirators in the case have also pled guilty and will be sentenced in the coming weeks. Three other alleged pirates, Ahmed Muse Salad, Abukar Osman Beyle and Shani Nurani Shiekh Abrar, have been charged in a 26-count superseding indictment for their roles in the *Quest* case and could face the death penalty if convicted.

The owners of the *Quest*, Jean and Scott Adam of Marina del Rey, along with friends Bob Riggle and Phyllis Macay of Seattle, were shot to death in February, a few days after being taken hostage several hundred miles south of Oman. They were the first Americans to be killed in a wave of piracy that has plagued the Gulf of Aden and the Indian Ocean in recent years.

"Piracy is a scourge that threatens nations, commerce, and individual lives," said U.S. Attorney Neil H. MacBride. "This is the first case where American lives have been lost due to Somali piracy, and as Somali pirates expand their territory, the risk of violence and harm to others continues to grow. Today's sentences send a message to all those who participate in piracy that armed attacks on the high seas carry lifelong consequences."

"The pirates' vain attempt to obtain ransom, after nine days at sea, ended in the death of four Americans," said Janice K. Fedarcyk, Assistant Director in Charge of the Federal Bureau of Investigation's New York field office. "Today's life sentences will be heard throughout the pirate community—and should send a clear message—that the days of unbridled armed robbery and extortion at sea are over. The only plunder these pirates earned is life behind bars."

A total of 19 pirates were involved in the capture of the *Quest* and the eventual murder of its four hostages. Fifteen pirates, including one juvenile who has not yet been charged in the case, were taken prisoner by the U.S. military while four pirates were killed in a gun battle with military personnel that were trying to secure the release of the hostages.

## Obama: A voice on the job is everyone's right

President Obama spent Labor Day in Detroit speaking with working families in an event sponsored by the Metropolitan Detroit AFL-CIO. AFL-CIO President Richard Trumka and other top Union leaders joined Obama, who asserted his strong support for workers' freedom to seek a voice at work through a Union.

"And I want everybody here to know, as long as I'm in the White House I'm going to stand up for collective bargaining....Because having a voice on the job and a chance to organize and a chance to negotiate for a fair day's pay after a hard day's work, that is the right of every man and woman in America—not just the CEO in the corner office, but also the janitor who cleans that office after the CEO goes home. Everybody has got the same right, the President said.

Obama blasted efforts by lawmakers to take away workers' ability to collectively bargain for good middle-class jobs. "When I hear some of these folks trying to take collective bargaining rights away, trying to pass so-called 'right to work' laws for private sector workers—that really mean the right to work for less and less and less—when I hear some of this talk I know this is not about economics. This is about politics."

In his remarks, Trumka pointed to Labor Day as the "one time of year when we stop to recognize work. Work—and the people who do it. Think about it. Think about what work means to our lives...and our country. Think about how work connects us all." Trumka also pointed to Labor Day as the "time to think about the millions of men and women who want to work, but have been

unable to find jobs for weeks, months—even years."

Last month, Trumka unveiled a six-point America Wants to Work Action Plan, with the AFL-CIO calling on Congress and the administration for big, bold, timely action to put America back to work, retain good jobs and rebuild the U.S. economy. That six-point plan follows:

1. **Rebuild** America's schools, roads, ports, airways and energy systems.
2. **Revive U.S. manufacturing** and stop exporting good jobs overseas.
3. **Put people to work in communities** doing work that needs to be done by directly creating million of jobs.
4. **Help state and local governments** avoid more layoffs and service cuts by increasing federal Medicaid funding during periods of high unemployment. Ensure that we have our priorities straight so we can fund essential federal government functions—not slash them to the bone.
5. **Help fill the massive shortfall of consumer demand** by extending unemployment benefits and keeping homeowners in their homes.
6. **Reform Wall Street** so it helps Main Street create jobs by encouraging lending to small businesses, enacting a financial speculation tax and ending Wall Street cheating and fraud.

**"Labor is the great producer of wealth: it moves all other causes."**

*Congressman Daniel Webster, 1824.*

## Crew readies *Cape Henry* for sea



In another no-notice activation, this SUP crew turned to, the day of the job call, to prepare the Ready Reserve Force's *Cape Henry* for sea. Successful completion of barnacle removal from the hull in Long Beach allowed for 18+ knot speeds enroute her new home in Alameda. The *Cape Henry* is operated by Patriot Contract Services. From left to right is OS Scott Sitts, AB Mike Staley, Bosun Vern Haik, AB Ramon Duran, AB David Burns, and AB Ponciano Siquinia, gathered on the galley deck with Alameda, Oakland and South San Francisco Bay in the background on August 19. Missing from the photo is AB Peter Leo and OS Matt Henning. Photo: Dave Connolly.

## Funding cuts threaten U.S. port security

Almost 10 years after the 9/11 terrorist attacks, President Obama's administration in Washington has been warned that federal funding cuts could affect the "security capabilities" of many U.S. ports. The warning came from the American Association of Port Authorities (AAPA), which also highlighted claims that U.S. Navy special forces—when they killed Osama Bin Laden in his Pakistan hideout—found evidence that the maritime industry is still a key al Qaida target for terrorist acts.

AAPA President and Chief Executive Kurt Nagle said: "For centuries, seaports have been a vital part of this nation's transportation infrastructure, and safe, secure seaport facilities are critical to protecting our borders and moving goods. "Regrettably, the more than 50% funding level cut recommended for Federal Emergency Management Agency's State and Local Program grants, which includes the Port Security Grant Program, could impact the current security capabilities of many U.S. ports as well as hamper their ability to carry out their five-year port protection plans." He added: "With the death of Bin Laden, critical infrastructure facilities, such as ports, are being asked to be extra vigilant to protect against retaliatory terrorist attacks. In addition to making continued enhancements, the Port Security Grant Program helps pay for maintaining and replacing our current security assets at ports."

AAPA, which represents 160 seaport authorities in the United States, Canada, Latin America and the Caribbean, pointed out that U.S. ports and their terminal operators have invested "billions of dollars" in extra security both on the dockside and in the navigational approaches. The Port Security Grant Program met 75% of the additional investment, but ports still have to meet 100% of their security operations, management and policing personnel expenses. AAPA fears that the lumping of port grant funds with other state and local program grants "will likely result in even less funding for port security."

Since the 2001 al Qaida attacks on New York and Washington, the Port Security Grant Program has received about \$2.6 billion in funding in 11 rounds of grant awards. AAPA wants the federal government to commit \$400 million a year for a "separate and dedicated program" to help port facilities enhance their physical security on a risk-based evaluation process. While stating that U.S. ports have become much more secure since 9/11, Nagle added: "There is no question that more investments in security equipment, infrastructure, technology, personnel and training will be needed.

## Pirates free Greek tanker

Pirates have released a Greek tanker almost 10 months after it was hijacked off Somalia, according to the vessel's operators and managers.

Paradise Navigation said 23 crew members of the 72,825 dwt *Polar* are safe after the ship was freed on August 26. It had been held since October 30, 2010, when it was seized about 600 nautical miles off Somalia. One of the ship's sailors died of a stroke on board the tanker on November 22.

Paradise Navigation said it would not be releasing any details about the negotiations over the ship's release, including the payment of any ransom, because it does "not wish to provide any information which might in any way encourage further unacceptable criminal acts of this kind or prejudice the safety of those still being held." However, the company commented that it was "unacceptable that they were virtually left unaided to deal with these criminal acts on the high seas. It is a sad indictment of the international initiatives currently in place that they have proved ineffective in stopping piracy," the company said, adding: "It is also doubtful that the political will exists to effect the necessary initiatives."

## ESU Office Assignments

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

# ESU NEWS

SEPTEMBER 2011

Official Publication of the Exxon Seamen's Union

## ESU 2011 Officers election

On December 31, 2011 the term of office for the President/Secretary, both Board Member at Large positions, and the Ship Representative positions on the *Kodiak*, *Sierra* and *S/R Wilmington* come to an end. In accordance with our Constitution and By-Laws, a general election for these positions will be held from mid October through mid December, 2011. To be eligible for an Executive Board position, a candidate must be a member in good standing and have at least two years of continuous service with the company. He or she must be a qualified driver possessing a valid driver's license and have been a member of the ESU for at least one year.

Candidates that wish to run for Union office are required to submit a "Candidate Intent Form" (CIF) for the particular office that the individual is seeking directly to the ESU office by the designated deadline. The Candidate's Intent Form is due to the Seabrook office no later than October 1. Candidate Intent Forms are available from you Ship Representative or by contacting the ESU office.

A complete list of all the requirements can be found in Article V of the Constitution and Bylaws. It is a good idea that CIFs be sent via certified mail with return receipt requested as forms received after October 1, are ineligible.

Once a CIF is received in Seabrook it will be reviewed and if all is in order the candidate's name will be placed on the ballot. Ballots will be mailed out to the membership during the first part of October. To ensure fairness and oversight the ballots will be counted by the American Arbitration Association in New York which is among the oldest and most reputable organizations of its kind.

Job descriptions for all offices are described in our Constitution and By-Laws. Candidates confident in their ability to adapt to the job duties will find that serving on the Executive Board provides an enormous amount of self-satisfaction from assisting their fellow ESU members.

## Seven members take layoff from SeaRiver

On August 16, 2011, SeaRiver initiated the involuntary phase of the layoff process to address an employee surplus that resulted from the permanent removal of the *SR Wilmington* from service. Individuals affected were provided a 30-day period to make a decision to either take the layoff allowance as outlined under the Collective Bargaining Agreement or to take a demotion to a lower rating. This 30-day period ended on September 16, 2011.

Of the 21 bargaining unit employees affected, seven members decided to take a layoff from the Company in lieu of a demotion. They are as follows: Earl Doucet (Pumpman), Jeremiah Morrison (Pumpman), Aaron Rathbun (AB), Bruce Rathbun (QMED), Steve Bowles (AB), Jay Berry (AB) and Gabriel Reyes (AB). We wish the best to all of our former members with their future endeavors and appreciate their contributions to the ESU while they were a member of the Bargaining Unit.

Since there were 14 members that elected to demote to a lower rating the next phase of the involuntary layoff process was started on September 16, 2011. In this phase 11 Maintenance Seamen received layoff notices. Affected individuals have up to 30-days to decide whether they will take the layoff allowance under Article XI of the Contract or continue to work for six months at their current rate of pay and then layoff from the Company. During the same 30-day time period, there will also be two QMED-Oilers and one Cook to receive letters with the option to demote or take layoff. Depending on their decision, three additional MS positions may be affected and subject to layoff during the month of October.

If you have any questions about the layoff/demotion process, please call the ESU office or you can contact Dona Steadman with SeaRiver at 713-656-2556.

## New wage scales take effect Sept. 1, 2011

The tables below represent this year's pay increase of 3.00% on base wages, CSB, SSHOT overtime and penalty rates. The complete wage tables for the entire contract package will appear in the new contract books. Everyone will receive a new contract once the integration review is complete and received from the printer.

### Total Monthly Wage Table: Base + CSB - Effective 9/1/11

Rating	START1	2	3	5	10	15	20	25	30	
Pumpman	4514	4798	4986	5026	5122	5312	5359	5399	5448	5498
MM/2nd PM	4264	4526	4704	4744	4833	5011	5050	5097	5144	5191
QMED-Oiler	3725	3955	4121	4150	4232	4395	4437	4477	4509	4551
Maint. Man/AB	3201	3404	3532	3562	3624	3750	3787	3822	3854	3888
Able Seaman 1	3211	3416	3547	3582	3654	3790	3827	3856	3891	3923
Able Seaman	2838	3018	3139	3164	3226	3350	3377	3409	3436	3471
Maint. Seaman	2571	2729	2843	2872	2929	3050	3075	3107	3132	3167
Fleet Chef	4257	4504	4677	4709	4801	4966	5011	5050	5092	5137
Cook	3181	3369	3495	3523	3587	3718	3748	3780	3809	3844

### Hourly Wage Table: Base + CSB - Effective 9/1/11

Rating	START1	2	3	5	10	15	20	25	30	
Pumpman	18.81	19.99	20.78	20.94	21.34	22.13	22.33	22.50	22.70	22.91
MM/2nd PM	17.77	18.86	19.60	19.77	20.14	20.88	21.04	21.24	21.43	21.63
QMED-Oiler	15.52	16.48	17.17	17.29	17.63	18.31	18.49	18.65	18.79	18.96
Maint. Man/AB	13.34	14.18	14.72	14.84	15.10	15.63	15.78	15.92	16.06	16.20
Able Seaman 1	13.38	14.23	14.78	14.92	15.22	15.79	15.94	16.07	16.21	16.35
Able Seaman	11.82	12.58	13.08	13.18	13.44	13.96	14.07	14.20	14.32	14.46
Maint. Seaman	10.71	11.37	11.85	11.97	12.21	12.71	12.81	12.95	13.05	13.19
Fleet Chef	17.74	18.77	19.49	19.62	20.00	20.69	20.88	21.04	21.22	21.40
Cook	13.26	14.04	14.56	14.68	14.95	15.49	15.61	15.75	15.87	16.02

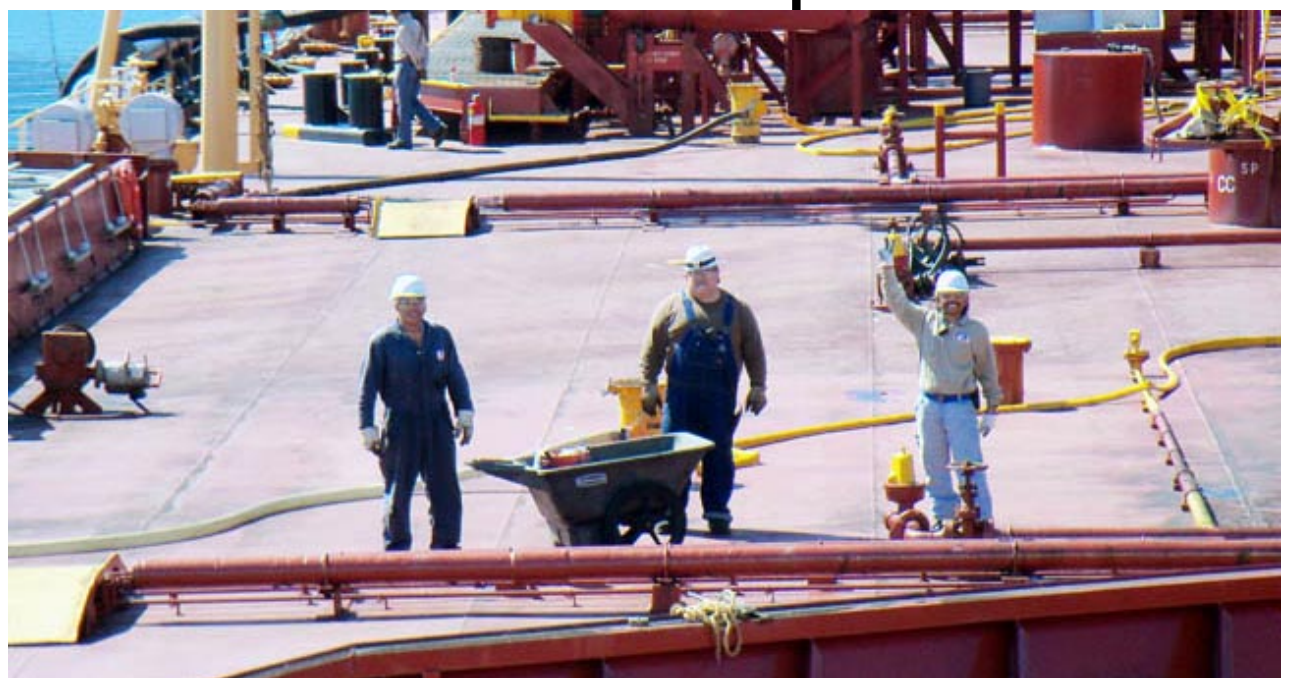
### Monthly Sum for Saturday, Sunday, and Holidays (SSHOT)

	Effect. Sept. 1, 2011	Hourly	Rating	OT	PT
Pumpman	1232	5.16	Pumpman	29.12	8.16
MM/2nd Pumpman	1161	4.86	MM/2nd PM	27.47	7.69
QMED-Oiler	1096	4.58	QMED-Oiler	25.95	7.86
Maint. Man/AB	935	3.91	Maint. Man/AB	22.19	7.54
Able Seaman 1	881	3.68	Able Seamen 1	20.87	7.99
Able Seaman	833	3.50	Able Seamen	19.66	7.54
Maint. Seaman	723	3.04	Maint. Seamen	17.08	5.87
Fleet Chef	1152	4.81	Fleet Chef	27.26	7.69
Cook	861	3.62	Cook	20.44	7.54

### Tank Cleaning Rates of Pay for Off - Watch - Effective 9/1/11

Entry Ratings	21.90	If tank or bilge is not entered: QMED, PM	26.63
AB and other ratings	26.63	If tank or bilge is entered: QMED	31.27
		PM	35.15

## Sierra cleanup crew



Prior to leaving Port Angeles for the shipyard period, the crew makes preparations for the cleanup and long voyage to Singapore. Pictured from left to right are Joe DaRosa (PM), Jim Byrd (PM) and Jose Aurelio (MS). AB Dom Gomes is in the distance keeping a sharp eye on the risor area.

## ESU News

## Special Election for Deck Dept. Trustee

Former Deck Trustee, Aaron Rathbun was affected by the employee surplus within the fleet and elected to take the layoff allowance instead of demoting to a lower rating, thereby creating a vacancy for this position. The ESU Executive Board on behalf of the membership thanks Aaron for his support of Union and his valuable participation during our recent Contract negotiations.

The resignation of Mr. Rathbun necessitates a special election to fill the vacancy of Deck Department Trustee under Article V paragraph 4-A of the Constitution and By-Laws of the Exxon Seamen's Union. Paragraph 4-A states in part "When a vacancy occurs in a Union Executive Board office position due to resignation or for other reasons and more than one year remains of the un-expired term, the Executive Board shall call a special election to fill the vacancy. The vacancy shall be announced to the membership and sixty (60) days allowed for the procedures to occur as outlined under Article V, Paragraph 1, to be followed. If no candidate seeks election for the remainder of the term, the Executive Board can then appoint a member to fill the remainder of the term". The nomination period for this position will start September 23, 2011 and run through November 21, 2011.

Eligibility requirements for the position of Deck Trustee are described in Article V, Section 1 of the Unions Constitution and By-laws. Requirements include: Candidate having his/her dues paid through the month in which the nomination is made and have at least two (2) years of continuous service in the Company and be a member of the Union for at least one (1) year. The nominee must be a qualified driver possessing a current, valid auto driver's license.

Candidates that wish to run for Union office are now allowed to submit a "Candidate Intent Form" (CIF) for the particular office that the individual is seeking directly to the ESU office by the designated deadline. Candidate Intent Forms are available from you Ship Representative or by contacting the ESU office. The Candidate's Intent Form should be mailed by certified mail to the primary Union office if there could be any question concerning the timely receipt of the nomination. A Candidate's Intent Form may also be submitted via e-mail or facsimile (fax) to the ESU office (832-201-0441).

## Statement of Earnings delivery change

Everyone is reminded that beginning September 15, the Company is no longer required to send pay vouchers to the vessels through Company mail. Pay vouchers will continue to be mailed to everyone's home address but if you wish to receive your voucher on the vessel you will need to fill out a form and receive it via e-mail attachment (PDF). Several members already receive their vouchers in this manner and one advantage of e-mail delivery is the advance delivery (usually 5 days before the pay date). If you do not currently have an e-mail account there are several free providers of e-mail accounts such as Google, Yahoo and MSN (Hotmail). Forms are available to membership for sign-up for e-mail delivery of vouchers. You can also contact the ESU office for assistance at 281-474-2430.

## New Fax number

The ESU office has a new fax number which is 832-201-0441. We discontinued the phone line for our old fax number and open an account with eFax as a cost saving measure.

## Ship reports

### S/R American Progress

Since a trip to the SF Bay area last month the vessel has returned to the Puget Sound for the last couple of trips. AB Phil Spinaio has been filling in as Ship Representative and has been checking in with the office. The vessel received some welcomed anchor time (3 days) in Port Angeles prior to discharging at Shell refinery.

### Kodiak

Vessel arrived in San Francisco, CA on September 18, for discharge at Chevron Richmond. Pumpman, Wayne Dymont is filling in as Ship Representative and has been doing a good job handling layoff questions that have come up on the vessel. Looks like the vessel's next trip will be once again to San Francisco returning around the end of the month.

### S/R Long Beach

The *Long Beach* continues in cold lay-up, in Labuan, Malaysia. There are no crewmembers assigned to the vessel at this time. Future plans for the vessel are unknown at the present time.

### Sierra

The *Sierra* arrived in Singapore for the shipyard period on September 10, after a 3-week Pacific crossing. Following tank inspection and additional mucking the ship entered the dry dock on the 15<sup>th</sup>. Regular Ship Rep. Thor Floreen has communicated via email and reports everything is going about as well as could be expected so far. The crew is now being lodged off the vessel. The first group of reliefs were heading to the vessel around the 18<sup>th</sup> with more scheduled to join around the end of the month. Those that join in Singapore will be assigned until the vessel returns to the States.

### S/R Wilmington

The vessel is still alongside the City Dock in Beaumont TX. There are three unlicensed employees currently assigned to the vessel and a few unlicensed employees may remain assigned until the vessel is officially sold. Two ABs have been assigned primarily for security reasons and Fleet Chef Brian Gilbert continues to serve meals for all licensed and unlicensed still aboard.

## Five members retire

As part of the recent Voluntary and Involuntary Separation programs, five ESU members have elected to retire from SeaRiver.

**QMED-Oiler Ulrich "Rick" Baur** chose to retire with over 25 years of company service effective August 16, 2011. Rick began his career with Exxon Shipping Company as Maintenance Man/AB aboard the Hondo trader *Exxon Washington* in August of 1985. During the late 80's and through the 90's Rick sailed on vessels throughout the fleet. In early 1992, as the Company expanded its training programs, Rick accepted a temporary shore assignment to assist with training programs in the Houston area. Following this TSA, Rick returned to the fleet and successfully completed the EREP program where he acquired his Pumpman and Oiler endorsements. In 2005 Rick was promoted from AB to OMED-Oiler and sailed in that position until his retirement. Rick was also a strong supporter of the ESU and demonstrated his willingness to serve when he was elected to a 3-year term as Deck Trustee in 1999. Rick's retirement plans include traveling but closer to home and volunteer work for his church.



**Pumpman Earl Doucet** elected to retire on September 2, 2011 with over 20 years of company service. Earl began his employment with Exxon Shipping Company as a Maintenance Seaman/Step-up Oiler aboard the *Exxon Jamestown* in May 1991. Earl's prior service with other shipping companies and engine room experience help management make a quick decision to promote him to Oiler in 1992. In 2007 Earl was promoted to Pumpman and sailed in that capacity on various vessels in the fleet until his retirement. Earl was also a supporter of the ESU and never hesitated to take the Ship Rep. position on many occasions.



Earl's plan for retirement include going into business for himself and fishing the Keys once his business is established in a few months.

**Fleet Chef Gerald Holmes** retired on August 16, 2011 with over 26 years of company service. Gerald began his career with Exxon Shipping Company in August 1985 aboard the *Exxon Baltimore* as Mess Utility. Gerald also accumulated additional company service by working for Mobil Oil Company's East Coast Fleet in the Steward's department in the late 1970's. In 2001 he was promoted to Fleet Chef and sailed in that capacity until his last ship assignment on the *SR American Progress*. Gerald has been devoting his early retirement days to filling out the necessary paperwork and taking it easy. He says he's been eating out as of late and trying to stay out of the kitchen.

**Able Seamen Roger Vreeland** retired on August 16, 2011, with over 34 years of combined company service from SeaRiver and multiple branches of Mobil Oil Corp. Roger started his career in 1972 and sailed on many ships in Mobil's fleet and his personal expertise led to him being promoted to the position of Bosun. He sailed in that capacity for many years and was assigned as Bosun to the *American Progress* when the vessel entered service for Mobil Corp. Roger joined the SeaRiver fleet in June of 2000 when the *American Progress* became a part of SeaRiver as a result of the ExxonMobil merger.



**QMED-Oiler William "Bill" Davis** retired on August 16, 2011 with more than 21 years of company service. Prior to joining the Company, Bill served our country as a member of the US Navy (Vietnam Veteran) and sailed with the Military Sealift Command (MSC) in various engine department ratings. Following his service with MSC, Bill joined Exxon Shipping Company in July of 1990 and was first assigned to the *Exxon New Orleans* as a Maintenance Seaman. Bill sailed on a number of different vessels in the SeaRiver fleet in various engine department unlicensed ratings. Bill's retirement plans are to play golf and dabble in real estate.

On behalf of the membership, we wish all the recent retirees fair winds and following seas and the best of luck in their retirement years. We thank them for their many contributions and years of service, support of the ESU and wish all the very best as they begin a new chapter in their lives.

## Free Flu Shots

Flu shots are again being offered to the membership by SeaRiver's Medical Department at no cost to the individual. The Company will arrange flu shots on board the vessels and at most of the designated clinic where annual physicals are conducted. Seasonal flu shots are generally both safe and effective, except for people with chicken egg allergies and a few other rare conditions. If you have any health concerns about flu shots, you should check with your personal physician. Incidentally, the flu shot program is on a voluntary basis.

## EXXON SEAMEN'S UNION

Founded March 28, 1941

Affiliated with the Sailors' Union of the Pacific

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Vice President/Treasurer Leo DeCastro

Board Member at Large Joe Bernavich

Board Member at Large John McCarthy

Deck Trustee - TBN

Engine Trustee William Ackley

Steward Trustee Kurt Kreick



SUP Machinist James Buckowski aboard Chevron Shipping Company's California Voyager at Kinder Morgan dock in the Richmond Inner Harbor on August 17. In addition to his unlicensed engine credentials, Mr. Buckowski is also an AB and a 3/AE. Photo: Dave Connolly.

## Court throws out appeal - major setback for foreign seafarers

Foreign crewmen have suffered a significant setback in the United States, after an appellate court threw out an appeal by a Nicaraguan seafarer in a case involving Norwegian Cruise Line (NCL) and its Bahamas-flagged cruiseship *Norwegian Dawn*.

The U.S. Court of Appeals for the 11th Circuit has held that injured Nicaraguan crew member Harold Lindo is not entitled to the relief under the Jones Act that he had claimed in a personal injury case against NCL, because his employment contract clearly stipulates that the dispute be arbitrated in Nicaragua under Bahamian law.

Lindo was fighting the case on the basis of a back injury suffered in December 2008, while obeying orders to transport "heavy trash bags" to the ship.

Ross Toyne, a Miami attorney who is not involved in the case but who represents seafarers in other litigations that involve foreign-flag ships, described the appellate court verdict in the Lindo matter as a "tragedy". It conveniently ignores the fate of non-U.S. nationals wilfully harmed by U.S.-based but non-U.S.-flagged cruise lines in full view of U.S. law, Toyne said. "This is a sad misapprehension and interpretation of a law intended to be applied remedially for the benefit of seafarers, who are anything but sophisticated businessmen," Toyne added.

The Lindo litigation stems from a Jones Act case the seafarer brought against NCL in 2009, alleging "negligence" and arguing that the arbitration clause in his contract must not be enforced because of the costs he would incur. The district court rejected Lindo's case and compelled arbitration in accordance with the contract. The appellate court now has upheld this verdict.

A crucial plank in the appellate court handing Lindo a comprehensive defeat in the finding: "Causation may be found under the Jones Act if the defendant's acts or omissions played any part, no matter how small, bringing about the injury." However, as there is no Jones Act in the Bahamas, the arbitral tribunal will neither "take cognisance of the statutory cause of action nor actually decide a claim under the Jones Act, making the prospect of recovery substantially more difficult and unlikely," the appellate court held.

This nominally is a victory for foreign seafarers on U.S.-controlled but foreign-flag cruiseships. However, Toyne described the Lindo appellate verdict thus: "It shows that as long as you are not a U.S. citizen, you can get work on a foreign-flag ship controlled from the U.S., and you will enjoy the benefit of working out of American ports. However, if you get hurt while discharging your duty, then God help you, because under the general maritime law you have little remedy."

### QUOTE OF THE MONTH

"Let's take these sons of bitches out and give America back to an America where we belong." James P. Hoffa, General President of the International Brotherhood of Teamsters, referring to right-wing politicians at a Labor Day rally in Detroit.

"We didn't start this war—the right-wing did," Hoffa stated on September 6. "My comments on Labor Day echo the anger and frustration of American workers who are under attack by corporate-funded politicians who want to destroy the middle class. The fight is about the economy, it's about jobs and it's about rebuilding America. We all have to vote to take these anti-worker politicians out of office."

## Welfare Notes

September 2011

### Retirement Coverage

Active coverage terminates on the date of your retirement. If you are under 65 years old and not yet eligible for Medicare or have been covering your spouse who is under 65 years old and not yet eligible for Medicare your medical and dental coverage through the SUP Welfare Plan will terminate on your retirement date and you should explore all options to provide the replacement coverage you will need.

If a member or spouse is under 65 years old at the time of retirement, you can continue your coverage through the SUP Welfare Plan by making COBRA payments to the Plan. Pensioners are not eligible to continue their own coverage as a COBRA participant if they are receiving the Pensioners Annual Allowance. COBRA rates are expensive so it is advisable to check for less expensive coverage that may suit your needs.

Federal law sets the COBRA rates at 2% above the current premium being paid on your behalf. Current monthly COBRA rates for one person are:

(Kaiser Northern California \$640.90) (Kaiser Southern California \$515.71)

(Kaiser Hawaii \$424.62) (Kaiser Oregon \$524.18)

(Group Health Cooperative \$477.76) (Health Net HMO \$719.93)

(Health Net PPO \$830.04) (Health Net Outside of California \$747.55)

### Active Coverage and Eligibility

Your work time determines your eligibility, but you must enroll in a Plan to be covered for medical and dental treatment. Be sure to enroll in a Plan when you become eligible.

Dental Plans have waiting periods for major work and calendar year maximums. Enroll in a dental plan as soon as possible and make sure major work is eligible under your plan before you agree to proceed with treatment. Your dentist office should be able to provide you with information on copayments required of you before you agree to the service. Services not covered by your Dental Plan are also not covered by the SUP Welfare Plan.

Please check with the Plan office about your eligibility and enrollment.

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

Patty Martin [martinpatty59@sbcglobal.net](mailto:martinpatty59@sbcglobal.net)

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

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


Training Representative Berit Eriksson 415-957-1816

[berittrainrep@sbcglobal.net](mailto:berittrainrep@sbcglobal.net)

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

SIU-PD Pension 415-764-4987

SIU-PD Supplemental Benefits 415-764-499



**LOCAL 142**

HAWAII DIVISION: 300 West Lunalilo Street, Hilo, Hawaii 96720 • OAHU DIVISION: 451 Mission Drive, Honolulu, Hawaii 96814  
 MAUI COUNTY DIVISION: 816 Lower Main Street, Kahului, Hawaii 96731 • KAUAI DIVISION: 4154 Hanalei Street, Lihoe, Hawaii 96746

August 31, 2011

Mr. Mike Dirksen  
 Sailors Union of the Pacific  
 707 Alakea Street, #105  
 Honolulu, HI 96813

Dear Mr. Dirksen:

Thank you for your support of the workers of Pacific Beach Hotel in their ongoing struggle for Justice at the Beach. We appreciate your observance of the boycott, launched in December 2007, of HTH Corporation and its operations at the Pacific Beach Hotel and Pagoda Hotel and Restaurant.

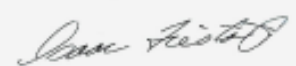
Our complaints to the National Labor Relations Board regarding unfair labor practices at Pacific Beach Hotel have been upheld by rulings of the National Labor Relations Board, a federal Administrative Law Judge, and the Ninth Circuit Court of Appeals. Continuing the boycott of Pacific Beach Hotel remains justified.

However, earlier this year, HTH Corporation sold the Pagoda Hotel and Restaurant to Peter Savio and Hawaiian Island Homes. The hotel and food and beverage operations at Pagoda are now both under new management.


Therefore, we are informing you that Pagoda Hotel and Restaurant is no longer on the boycott list of the ILWU or the National AFL-CIO—but the boycott of Pacific Beach Hotel continues.

Thank you again for your support of the Pacific Beach Hotel workers and their fight for justice and a better life.

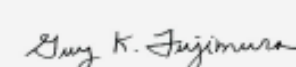
In Solidarity,




Isaac Flesta, Jr.  
President



Donna Domingo  
Vice President



Guy K. Fujimura  
Secretary-Treasurer



Dave Mori  
Oahu Division Director

"AN INJURY TO ONE IS AN INJURY TO ALL"



# APL MSP Wage and Overtime Rates

## Maritime Security Program Vessels (C-10 Class & C-11 Class)

Effective October 1, 2011

Rating	Wages		Supp. Benefit Base Monthly	Supp. Benefit Daily	Supp. Benefit Monthly	Money Purchase Pension Plan Daily
	Monthly	Daily				
Bosun	\$4,993.04	\$166.43	\$5,145.59	\$97.20	\$2,916.01	\$25.00
A.B.	\$3,521.37	\$117.38	\$3,845.69	\$72.65	\$2,179.35	\$25.00
AB Watchstander/ Daystander	\$3,521.37	\$117.38	\$3,845.69	\$72.65	\$2,179.35	\$25.00
O.S.	\$2,700.96	\$90.04	\$3,018.40	\$57.02	\$1,710.53	\$18.51

### OVERTIME RATES

The hourly overtime rate for all ratings except the Ordinary Seaman	\$28.74	Money Purchase Pension Plan Daily
Ordinary Seamen	\$21.56	

### CARGO RATES

The hourly cargo rate for all ratings:

Straight Time Hours	\$21.56
Overtime Hours	\$35.50

### SHORTHANDLED (Section 7 SUP Work Rules)

Bosun	\$49.06
A.B.	\$36.97
STOS	\$27.73

### STANDBY RATES (Section 43 SUP Work Rules)

Bosun		
Straight Time Hours	\$26.44	\$25.00
Overtime Hours	\$44.12	
A.B.		
Straight Time Hours	\$25.29	\$25.00
Overtime Hours	\$43.33	

### SHIFT SHIP GANGS (Section 44 SUP Work Rules)

Bosun		
Straight Time Hours	\$24.30	\$25.00
Overtime Hours	\$40.42	
A.B.		
Straight Time Hours	\$22.92	\$25.00
Overtime Hours	\$38.64	

### DECK PORT WATCHES (Section 55 SUP Work Rules)

Bosun		
Straight Time Hours	\$32.72	
Overtime Hours	\$49.08	
A.B. and STOS		
Straight Time Hours	\$24.64	
Overtime Hours	\$36.96	

### FUEL OIL SPILL CLEANUPS

Straight Time, all ratings	\$16.77
----------------------------	---------

Supplemental Benefits in all company vessels (MSP and non-MSP) shall increase to 17 days per month from 16 days.

## SUP Officers' Wages

In accordance with Article XV, Section 3, of the SUP Constitution: "Every time the new wage scale is printed in the *West Coast Sailors* showing the seagoing [dry cargo-offshore] members and standby gang wage scale, the benefits and wage scale of the Union officials shall be printed right along with, and in the same issue, of the *West Coast Sailors*."

### Weekly Wages for SUP officers effective October 1, 2011:

President/Secretary-Treasurer	\$1,602.07
Vice President/Assistant Secretary-Treasurer	\$1,337.31
Branch Agent	\$1,337.31
Business Agent	\$1,313.36

**Benefits:** Medical and dental coverage (SUP Welfare Plan); four weeks vacation per year, participation in the SIU-Pacific District Pension Plan and a \$100 per week auto allowance. SUP officials are participants in the SUP 401(k) Plan. No contributions are made for SUP officials to the SUP Money Purchase Pension Plan.

## Container ship ransomed for \$7 million

Somali pirates have released the hijacked *MSC Panama* after receiving a \$7 million ransom, Kenya-based Piracy Report announced on September 7.

The Liberia-flagged ship was hijacked on December 10, 2010, enroute from Dar es Salam to the Tanzanian port of Beira with 23 Burmese crew aboard.

The 1,750 teu vessel is owned by U.S.-based Eurus Berlin and chartered by the world's second largest shipping line, Mediterranean Shipping Corporation, while the technical manager is Florida's Ship Management Services.

## Maintenance & Extra Maintenance Rates

Effective October 1, 2011

### Rating

Rating	Money Purchase Plan
Rigging-Splicer and Sail Maker	
Straight Time	\$32.18
Overtime	\$53.36
Rigging-Wire Splicer's Helper	
Straight Time	\$29.56
Overtime	\$49.56
Rigging-General Maintenance Work	
Straight Time	\$28.28
Overtime	\$47.56
Spray Painting, Sandblasting, Steam Cleaning and Welding	
Straight Time	\$30.76
Overtime	\$51.28
Storekeeper-General Maintenance	
Straight Time	\$29.84
Overtime	\$49.80
Bosun	
Straight Time	\$34.43
Overtime	\$56.44
Bosun's Mate or Leaderman	
Straight Time	\$32.18
Overtime	\$53.36
Carpenter	
Straight Time	\$31.49
Overtime	\$52.49
Spraying, Sandblasting enclosed spaces additional per hour	\$1.65

### EXTRA MAINTENANCE CREW PERSONNEL AGREEMENT

Bosun		
Straight Time	\$34.38	\$25.00
Overtime	\$56.44	
A.B. (Rigging-General Maintenance Work)		
Straight Time	\$28.23	\$25.00
Overtime	\$47.56	

## Patriot Contract Services

Effective October 1, 2011

## Ready Reserve Force Vessels

### Full Operating Status (FOS)

Rating	Wages		Supp. Wage Daily	Overtime Rate	Penalty Rate	Money Purchase Plan Daily
	Monthly	Daily				
Bosun	\$4,379.40	\$145.98	\$72.99	\$34.08	\$19.33	\$11.95
A.B.	\$3,456.30	\$115.21	\$57.61	\$29.09	\$14.81	\$11.95
O.S.	\$2,370.60	\$79.02	\$39.51	\$17.40	\$11.73	\$11.95

### Reduced Operating Status (ROS)

Rating	Wages		Supp. Wage Daily	Overtime Rate	Money Purchase Plan Daily
	Weekly	Daily			
Bosun	\$1,370.30	\$195.76	\$9.79	\$34.08	\$11.95
GVU	\$707.00	\$101.00	\$5.05	\$17.40	\$11.95
O.S.	\$707.00	\$101.00	\$5.05	\$17.40	\$11.95

## Patriot Contract Services

Effective October 1, 2011

USNS Martin

Rating	Base Wages		Supp. Benefit Base Monthly	Supp. Benefit Daily	Supp. Benefit Monthly	Hourly OT Rate	Pension Plan Daily
	Monthly	Daily					
Bosun	\$6,124.42	\$204.14	\$4,751.66	\$73.91	\$2,873.65	\$28.03	\$19.33
A.B.	\$4,605.33	\$153.51	\$3,573.24	\$55.59	\$2,156.69	\$21.08	\$19.33
O.S.	\$3,383.38	\$112.78	\$2,625.00	\$40.84	\$1,701.97	\$17.53	\$19.33

Effective October 1, 2011

USNS Waters

Rating	Base Wages		Supp. Benefit Daily	Hourly OT Rate	Pension Plan Daily
	Monthly	Daily			
Bosun	\$4,306.03	\$143.53	\$36.33	\$26.85	\$10.61
A.B.	\$3,281.54	\$109.38	\$27.69	\$20.72	\$10.61
O.S.	\$2,511.34	\$83.71	\$21.20	\$16.07	\$10.61



# SUP President's Report

September 12, 2011

## WILMINGTON BRANCH

Received a letter from Wilmington Branch Agent Vern Johansen on August 16, indicating, for personal reasons, his desire to resign his office effective September 16.

Brother Johansen has been an outstanding agent and a credit to the Union. It is with regret that your secretary accepted his resignation.

Under new business at today's meeting, in accordance with Article XIII, Section 3, of the SUP Constitution which states: "**All vacancies occurring by death, recall, resignation or retirement between elections shall be filled by the regular meeting at Headquarters,**" Brother Mark Hurley was nominated and elected to serve out the remainder of Brother Johansen's term which ends on February 28, 2013.

Brother Hurley brings experience to the job having previously served as Wilmington Branch Agent. In March 2001, Hurley was elected in accordance with Article XIII to serve out the term of Wayne Burgess, who was recalled from office by the membership. Bill Berger served as Wilmington Agent on a temporary basis from October 2000 until he resigned, recommending Brother Hurley for the job. Brother Hurley finished out the term and was elected to a full term on the ballot for the 2002-2004 term. Hurley chose not to run for re-election and returned to sea.

Brother Hurley will turn-to today. Brother Johansen should be commended for facilitating a smooth transition.

## APL MARINE SERVICES

In accordance with the 2005-2015 collective bargaining agreement between the SUP, MFOW, SIU-Marine Cooks, and APL Marine Services, Ltd., a 2.5% increase in wages and wage-related items (overtime, supplemental benefits, etc.) becomes effective October 1. This agreement and the wage increase covers the nine company vessels enrolled in the Maritime Security Program —*Presidents Adams, Jackson, Polk, Truman, APL China, APL Korea, APL Philippines, APL Singapore, APL Thailand.* Those employed under the Maintenance Agreements shall receive a 4% increase.

Recommend that the wage increase be applied to wages and wage-related items. New wage rates, etc. will be published in the September *West Coast Sailors*.

In addition, effective October 1, Supplemental Benefits in all company vessels (MSP and non-MSP) shall increase to 17 days per month from 16.

Also effective October 1, all APL contributions to the SUP Welfare Plan shall be increased by the percentage increase of the Medical Care Services component of the Consumer Price Index (United States City Average for Urban Wage Earners and Clerical Workers) during the previous 12-month period for which such index has been calculated by the Bureau of Labor Statistics.

## PATRIOT CONTRACT SERVICES

Effective October 1, there shall be a 2% increase in Total Labor Cost (TLC) —wages, overtime, Supplemental Benefits, Money Purchase Pension Plan, etc.— for those employed aboard the Military Sealift Command's Special Mission ship *USNS Waters* and the Maritime Propositioning Force vessel *USNS 1<sup>st</sup> Lt. Harry L. Martin*.

Wages rates etc. for these vessels will be published in the September *West Coast Sailors*.

New wage rates that became effective July 28 for the Ready Reserve Force vessels operated by Patriot will be published in the September *West Coast Sailors*.

## SUP OFFICERS' WAGES

Article XV, Section 1(a) of the SUP Constitution states: "**The salaries and supplemental pay [of Union officers] shall be adjusted automatically on the same percentage basis whenever the membership has a percentage adjustment in wage and vacation pay for the offshore agreements.**"

On July 1, members working aboard Matson's liner vessels and those employed under the SUP/Matson Maintenance and Extra Maintenance Agreements received a 3.5% increase in wages and wage-related items. As reported, effective October 1, members employed aboard APL Marine Service's nine vessels enrolled in the Maritime Security Program (MSP) and those working under the Maintenance and Extra Maintenance Agreements will receive a 2.5% increase in wages and wage-related items.

Therefore, recommend —consistent with the Constitution— that the officers of the Union receive a 3% increase in wages and vacation pay effective October 1.

## CHEVRON SHIPPING COMPANY

Members employed by Chevron are again urged to submit bargaining proposals. Although the current agreement does not expire until January 31, 2012, it is anticipated negotiations will begin before the end of this year.

## AMERICA'S CUP

Since last year (see the September 2010 *West Coast Sailors*) have reported on the 34<sup>th</sup> America's Cup, which will be held on San Francisco Bay in 2013, and its effect on the nation's cabotage laws.

On September 1, participated in a working-group meeting at San Francisco City Hall regarding the event and possible, temporary federal legislation. The meeting was called by San Francisco City Attorney Dennis Herrera.

Attendees included MFOW President Anthony Poplawski, MEBA Executive Vice President Dave Nolan; MM&P Representative Ray Shipway; Robert Maerz, San Francisco Chief Attorney for Government Oversight; Michael Martin from San Francisco's Office of Economic & Workforce Development; Peter Dailey, Port of San Francisco; Daley Dunham, Port of San Francisco; Nicole Rivera, Field Representative for Congresswoman Nancy Pelosi; and via telephone conference call, attorneys from the Washington, D.C. law firm of K&L Gates and Robert Edmundson, of Congresswoman Pelosi's office.

Some background on the issue is necessary.

In the course of the America's Cup competition, racing and race-related foreign-flag support vessels will be required to transport some rescue, vessel repair and maintenance, and security personnel, as well as competition officials, sponsors, and media. To the extent they are not directly connected with the vessel's operation, navigation, ownership or business, these individuals are considered passengers.

Accordingly, the Passenger Vessel Services Act (PVSA) bars their transportation within San Francisco Bay, even if the vessel returns to the same point where the individual first boarded. Only if the vessel goes beyond the three-mile territorial limit and returns to the same place of embarkation is the PVSA not invoked. Whereas some other international maritime events have been geographically located such that voyages beyond the territorial limit could be accommodated, the America's Cup events will all take place within San Francisco Bay and close to the shoreline to maximize spectator participation. Although the Coast Guard has long recognized the need to issue special permits to accommodate the variety of specialized foreign-flag vessels that carry passengers in recognized marine events (e.g., the Bicentennial Celebration in New York Harbor) its waiver authority extends only to the vessel inspection laws and not to the PVSA, thus necessitating a legislative solution.

Congress has recognized the lack of statutory flexibility in the PVSA and has enacted legislation authorizing the transportation of individuals onboard vessels participating in other recognized marine events, such as the 2003 New World Challenge Race. (Section 211 of the Maritime Transportation and Safety Act of 2002).

The proposed legislation, under discussion by the working group, is similar. It would allow foreign-flag vessels, recognized as official participants in the 34<sup>th</sup> Americas Cup that have received a certificate from the Maritime Administration, to participate only in authorized events transporting individuals performing certain functions. Requiring the Maritime Administration to certify the vessel's eligibility insures review by a federal agency supportive of the U.S.-flag industry and provides official evidence of qualification for Coast Guard and Customs officials to identify properly qualified vessels.

Anticipate more meetings on the issue to ensure that maritime labor's interests are safeguarded.

## DUANE HEWITT

Former SUP Vice President Duane Hewitt died on August 22, after a long illness.

Brother Hewitt joined the SUP at age 16 in 1944 and sailed under all Union contracts until he was appointed Welfare Representative/Business Agent by former Secretary Morris Weisberger. In 1978 he was elected Business Agent by the membership and reelected every two years until his retirement in 2000. In 1994, the membership restored the job of Vice President that had been abolished in the election of 1990 with the membership wisely selecting Brother Hewitt to fill the post.

Both as Vice President and Business Agent, Brother Hewitt served the membership with distinction. A man of principle and intellect, Brother Hewitt had a vast institutional knowledge of the SUP that gave perspective to the goals of the Union. During the often contentious negotiations with APL and Matson during the 1990s, Brother Hewitt's assistance and insight at the bargaining table was invaluable. Brother Hewitt's contribution to the Union will not be forgotten.

## COLUMBUS DAY

All SUP halls will be closed for Columbus Day, Monday, October 10, a holiday under all SUP agreements. Due to the holiday, the Headquarters membership meeting will be on Tuesday, October 11.

## ACTION TAKEN

M/S to allocate 2.5% APL increase to wages and wage-related items. Carried unanimously.

M/S to increase SUP officers' wages by 3%. Carried unanimously.

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

Gunnar Lundeberg

## Nautical terms in everyday speech

### *Loaded to the Guards or Gunn'ls... (intoxicated)*

A person may "drink like a fish," but if he is intoxicated he is *loaded to the guards* or *to the gunn'ls* and not to the gills. Plimsoll lines —named for the Victorian social reformer Samuel Plimsoll— are markings painted on the sides of vessels to indicate safe loading levels. Sailors of the period often referred to the markings as "guards." Anyone contemplating getting "loaded" to his guards should heed the words of the song *The Unseaworthy Ship*: "Honor to Plimsoll his labor will save/Thousands of brave men from watery graves."

## Korean court rejects Somali pirate's life sentence appeal

A pirate convicted of leading the hijacking a South Korean-operated chemical tanker in the Arabian Sea and trying to murder the captain lost his appeal on September 8. The high court in Busan confirmed the May life sentence for Mahomed Araye, 23, of Somalia.

Prosecutors had sought the death sentence because Araye seriously wounded Captain Seok Hae-Kyun of the vessel *Samho Jewelry* with a rifle. He was one of five pirates captured during a January 21, raid by South Korean commandos that freed the ship and crew. Eight other pirates were killed.

All 21 crew, eight South Koreans, two Indonesians and 11 from Myanmar, were

freed unhurt apart from Captain Seok, 58, who is still recovering after multiple surgeries.

The court also upheld sentences of 13-15 years on three other pirates but reduced the sentence on Abdulahi Hussein Maxamuud, 20, to 12 years from 15, saying he showed "great remorse and admitted all charges" and treated hostages well.

The high-profile trial was the first attempt by South Korea to punish pirates. Investigators said some of the pirates had also taken part in a hijacking last years of the South Korean VLCC *Samho Dream*; its 24 crew were released after a reported \$9 million ransom payment.

## Where CEO pay outstrips taxes paid to Uncle Sam

Twenty-five of the best paid chief executive officers in the United States earned more in salary and other compensation in 2010 than their companies' federal income tax expenses as disclosed in public filings, according to a report by the Institute for Policy Studies.

The nonprofit group's report examined 100 publicly traded U.S. corporations with the highest paid CEO's. It found that companies whose CEOs' compensation exceeded reported tax expense in 2010 had average global profits of 1.9 billion.

Companies in this group according to the report, included Cablevision Systems, eBay, Verizon Communications, Boeing and Dow Chemical.

According to the report, Cablevision CEO James Dolan earned \$13.2 million in 2010 while the company had a \$2.7 billion corporate income tax refund. Verizon CEO Ivan Seidenberg earned \$18.1 million while the company had a \$705 million tax refund.

eBay CEO John J. Donahoe was paid \$12.4 million and the San Jose company collected a \$131 million refund.

The tax expense reported in annual financial statements can differ from actual tax payments, which are confidential, for a variety of reasons.

The institute said its findings underscore the need for an overhaul of the U.S. tax code that would reduce the number of tax strategies available to companies, especially their ability to lower tax payments by parking profits overseas.

"Tax reform has to close up some of these loopholes and the offshore system,"

Chuck Collins, one of the report's authors, said in an interview. "We might be able to lower the overall corporate rate by broadening the base."

Eighteen of the 25 companies mentioned in the report operated subsidiaries in countries known as offshore tax havens, Collins said.

Legislation proposed by Senator Car Levin (D-Michigan), would eliminate many of the tax avoidance practices used by companies in the study, Collins said.

"Businesses and CEOs shouldn't be rewarded for so aggressively avoiding their responsibility to pay taxes," he said.

Representative Elijah Cummings of Maryland, the top Democrat on the House Committee on Oversight and Government Reform, asked in a letter last month to Chairman Darrell Issa, a California Republican, to hold a hearing on CEO compensation.

In the letter, Cummings urged the panel to "examine in detail why CEO pay and corporate profits are skyrocketing while worker pay stagnates and unemployment remains unacceptably high, as well as the extent to which our tax code may be encouraging these growing disparities."

Twenty of the 25 companies on the institute's list reported spending more on lobbying Congress than they did on federal tax payments, the organization said.

Data for the report were taken from annual securities filings and other public filings. The institute's website says it works to promote a society based on "justice, nonviolence, sustainability and decency."

## India allows ships to arm themselves

The Indian Shipping Ministry announced on August 31, that it is allowing Indian-flagged ships to use armed guards to protect themselves from piracy. The ministry's decision follows constant appeals by the Indian National Shipowners' Association, which has been leading the cause to allow the ships to carry arms for protection.

"The ministry considered the fact that about 35% of merchant ships transiting through pirate-infested waters deploy armed security guards and that the pirates generally do not attack ships with armed guards on board," an official statement said.

The decision, which is in line with International Maritime Organization guidelines, allows shipowners to hire armed guards from maritime security companies following a proper selection and vetting process. "All Indian ships visiting Indian ports are to furnish details of security guards on board and firearms carried by them along with licenses issued to the port authority, Customs, Coast Guard as well as the Navy." The ministry also went on to say that foreign-flag vessels visiting Indian ports with security guards on board are also required to comply with similar procedure.

## Vice President's Report

September 2011

**Mississippi Voyager:** Bill Fisher, delegate. Delegate asked for dues state check of members via email. Easily done and helpful to members. Not long ago delegate Dave Mercer sent the first scanned delegate sheet by email. Email, like it or not, is a fact of life in life and ships.

**California Voyager:** Mark Brower, delegate. In at Richmond Long Wharf before heading back to the Gulf. The machinist, just as the pumpman did before, assists the deck gang with winch operation during tying up and letting go. Full on discussion about negotiations and the rates for the riding gang going by the company appellation of the "tiger team." Delegate later sent a list of items for consideration in negotiations.

**Oregon Voyager:** Joe Cox, delegate. Delegate working hard to get new members signed up. The talented and experienced riding gang able seaman — Hayward Petit — is next.

**Florida Voyager:** Anton Seravaseiyar, delegate. Scott Oliphant is the bosun and Billy Darling the machinist. Steward Mike Peterson putting on a great spread. On a coastwise tanker the watch below should always do the lookout duty; the watch has enough to do on arrivals and departures.

**APL Korea:** Liam Casement, delegate. In at Oakland inner harbor with no serious problems. Delegate did a good job handling the many issues of the trip. Sailor fired for going ashore on a Philippines passport.

**APL China:** Larry Gately, delegate. The first SUP ship where the delegate keeps the overtime on an Excel spreadsheet; as everyone knows, a new era. Chief Engineer using inappropriate language in safety meetings. Bosun Joe Eckert and the delegate built a new tool room forward for efficiency.

**APL Coral:** Charlie Noble, delegate. Strange altercation amongst returning crew in a cab on port property in Norfolk brought about the port police and the breathalyzer. Two SUP members were fired for above threshold BAC, and after shipping a pierhead jump sailor, the ship sailed short-handed. Short-handed billets shipped by pierhead jump are by default watchstanders (unless otherwise notified) and section 7(g) of the SUP Work Rules requires payment of our present short-handed rate to any sailor standing extra watches. Email clarification on penalty meals.

**APL Singapore:** William DeBenedictis, delegate. Email from the delegate indicates smooth operation through the Asian loop and heading back to the Coast with a clean ship. Such a thing does not happen by automation: it's done by the hard work of a professional crew and delegate.

**APL Thailand:** Joe Moniz, delegate. In at Oakland with no beefs. Gang interested to hear about the failure of Matson's foreign-flag venture.

**APL Philippines:** Gus Silva, delegate. Incident departing LA resulted in Coast Guard drug and alcohol testing. SUP sailors clean. Another delegate keeping time with an Excel spreadsheet.

**Manoa:** Jennifer Corner, delegate. Questions on shipyard and trips off. The pension question from last trip finally answered—no credit earned for days in excess of 200 in a calendar year.

**Mahimahi:** Jimmy Alarcon, delegate. Computer and email access is guaranteed under Section 11 of the General Rules. Crew terminal too slow for basic tasks; Captain agreed and a new machine has been ordered through the Matson procurement process.

**Mokihana:** Rich Reed, delegate. In at Oakland with no problems. Headed for the shipyard in late September. *Matsonia* and *Lurline* are expected to break out as the replacement ships in late September.

**USNS Gordon:** Joe Nugent, delegate. No-notice-activation for hurricane sortie was cancelled while sailors were enroute the ship in Jacksonville. Most were retained on board in case Irene took an unexpected turn.

**USNS Yano:** Jay Camp, delegate. In the shipyard in Corpus Christi, Texas. Crewing up for the passage back to Violet, Louisiana.

**USNS Gilliland:** Tom Cook, delegate. As Hurricane Irene roared up the coast, Patriot called at the last minute for a just-in-case crew to assist with extra lines and to be ready for any contingency.

**Cape Henry:** Ramon Duran, delegate. Continuing the theme of no-notice activations, a full gang of SUP sailors turned to on the same day as the job call to prepare the ship for sea. Shifted to Alameda and then sailed for Los Angeles to scrape barnacles from the hull. All fast at new home dock in Alameda.

Aboard an SUP ship this month it was suggested to me by the crew that I could have a conflict of interest in representation of SUP members because my wife works for Chevron. A serious charge, and when I recovered I thanked the crew for bringing it to my attention. I guess I knew such talk was out there, had heard it mumbled on the far margins, but no one had ever confronted me on it and I thought the appropriate response to an indirect, infrequent and unfounded allegation was to ignore it. I assumed everyone would approach the question the same as I did: completely unworthy of serious consideration. My mistake. A conflict of interest in this job is to me unthinkable, but everyone knows that sailors are prone to conspiracy theory and for that they cannot be faulted. Therefore, let me address the charge directly.

As I said on the ship, I am a sailor, and like so many others it was because of the SUP that I was lifted from desolation to dedication and responsibility. Union officers are elected to fulfill a duty of representation that cannot be partially met. A majority of the membership has repeatedly elected me to represent them with 100% of my ability. If at any time I thought I could only represent the membership with 99.9% of my ability, or if I felt the slightest inclination to balance competing personal interests, or if there was ever an aspect of my work, other than wages, which accrued to my personal advantage—I will immediately resign. It was my great fortune in life to go to work for my shipmates when most everyone else has to work for the Man. Such work admits of no division.

Dave Connolly

# SUP Branch Reports

## Seattle

August 15, 2011

Shipped during the period: 4 Boatswain jobs shipped and filled by 2 As to steady jobs and 1 A to a return and 1 C member to a Navy bottom; 15 Able Seaman jobs shipped and filled with 6 A-cards, 6 B-cards, 2 C-cards and 1 D registrant; 1 STOS went to a registrant, and 23 standby jobs filled by 9 A, 5 B, 3 C members and 5 D registrants.

Registered during the period: 5 A cards for a total of 19; 8 B cards for a total of 29; 5 C cards for a total of 10.

### Ships Checked

Matson vessels *MV Manoa* and *SS Maui* called twice in Seattle with little or no problems. The *President Polk* called in New York after coming out of the yard in Singapore. The *President Truman* called the gang back. Patriot Contract ships *USNS Gilliland*, *USNS Martin* and *USNS Yano* all called for sailors.

I represented the SUP at the following meetings: The King County Labor Council meeting, the Transportation for Washington meeting, the Central Waterfront Stakeholders meeting, the Washington State Labor Council Convention, and the King County Labor Council Political Action Committee.

The Alaska Way Viaduct Replacement Project has passed a major hurdle by winning a vote put to Seattle City residents to support a tunnel option. Digging this tunnel will be one of the largest building projects in the nation and will help ensure the Port of Seattle as a viable destination for cargo carriers engaged in the Trans Pacific trades. The SUP and MFU have been and continue to be a stakeholder in freight mobility issues in this region.

Vince O'Halloran  
Branch Agent



SUP stands in support of Communication Workers of America (CWA) in Verizon dispute outside of a Verizon store in Seattle, on August 19. Pictured are Jason Robles and Seattle Branch Agent Vince O'Halloran (right).

## SUP member joins pension ranks

The following SUP member joined the rank of pensioner, bringing the total number of SUP members to 484:

**George Simpier**, 63, Book No. 7484, joined SUP in 1976, 29 years seafaring.

## Wilmington

August 15, 2011

Shipped a total of 76 jobs. The breakdown is as follows: 2 Bosuns- 2 steady; 6 AB/Dayman- 5 steady, 1 relief; 9 AB/watch- 5 steady, 1 relief, 3 returns; and 59 standbys.

Registration is as follows: Class A 27, Class B 21, Class C 11.

### Ships Checked

*Manulani, Maunawili, Mokihana, Mahimahi, Manukai, Lihue, Philippines, Korea, Thailand, China, Singapore* and the *USNS Waters*.

Attended and represented the SUP at the following meetings: American Merchant Marine Veterans Memorial Committee; Maritime Trades Port Council; LA/LB Labor Day Parade Committee; and the L.A. County Federation of Labor.

Vern Johansen  
Branch Agent

## Honolulu

August 15, 2011

Shipped the following jobs: 1 AB Day relief, 1 OS steady, and 2 AB Maintenance steady. The regular jobs were filled by 3 B-cards and 1 C-card.

Also shipped 38 standby jobs. The standby jobs were filled by 3 A cards, 12 B cards, 8 C cards, and 15 D cards.

Registered: 4 A cards, 1 B card, 3 C cards and 1 D card.

To date totaled registered are: 7 A cards, 7 B cards, 5 C cards, and 5 D cards.

### Ships Checked

*Manukai, Maunawili, Maui, Mokihana, Manoa, Maunalei, Mahimahi, Manulani, R.J. Pfeiffer* and the Paint and Rigging gang. All running with few or no beefs. I also met with one of the AB's from the *USAV Worthy* and he reported all is well.

I represented the SUP at Hawaiian Ports Council meeting, a Progressive

Democrat meeting and the Labor Day Unity Picnic committee meeting. Those members who attended the Labor Day picnic (myself included) reported that they had a good time.

Any members who have mail sent to the Honolulu hall need to include in the address "C/O SUP" and/or Room 101. Preferably both. The reason being is that there are at least six different businesses in this building and the mail sorter doesn't always know whose mail belongs to which business. And if they don't know which office the mail goes to, they just stamp it with "return to sender".

Mahalo,  
Michael Dirksen, Branch Agent

## Dispatcher's Report

Headquarters—Aug. 2011

<b>Deck</b>	
Bosun .....	1
Carpenter .....	0
MM.....	6
AB .....	21
OS .....	4
Standby .....	15
<b>Total Deck Jobs Shipped .....</b>	<b>47</b>
<b>Total Deck B, C, D Shipped.....</b>	<b>15</b>
<b>Engine/Steward</b>	
QMED .....	0
Pumpman .....	0
Oiler .....	0
Wiper .....	0
Steward .....	0
Cook .....	0
Messman .....	0
<b>Total E&amp;S Jobs Shipped .....</b>	<b>0</b>
<b>Total E&amp;S B, C, D Shipped .....</b>	<b>0</b>
<b>Total Jobs Shipped - All Depts. ...</b>	<b>47</b>
<b>Total B, C, D Shipped-All Depts. .</b>	<b>15</b>
<b>Total Registered "A" .....</b>	<b>32</b>
<b>Total Registered "B" .....</b>	<b>23</b>
<b>Total Registered "C" .....</b>	<b>20</b>
<b>Total Registered "D" .....</b>	<b>34</b>

## U.S. ports receive \$235 in security grants

The United States Department of Homeland Security announced on August 24, that it will distribute \$235 million in security grants to ports throughout the country. That figure is a \$15 million reduction from the year before.

The security grant program has become one of the mainstays of supply chain security since it started nine years ago. Sixty percent of the grant funds this year were allocated to seven of the largest seaport areas that are considered the most vulnerable to terrorist attacks, according to the Federal Emergency Management Agency, which administers all DHS grant programs.

More than 100 smaller ocean, inland water and Great Lakes ports divided the other 40% of the security grant money. The list includes the following: New York-New Jersey \$30,195,052; Houston-Galveston \$25,051,457; Los Angeles-Long Beach \$24,538,191; New Orleans \$17,116,755; San Francisco Bay \$16,989,439; Seattle-Tacoma-Puget Sound \$15,154,410; Delaware Bay \$11,986,983; Boston \$2,609,221; Tampa Bay \$2,576,493; Miami \$2,176,924; Corpus Christi \$2,113,034; Baltimore \$1,611,356; Jacksonville \$1,577,067; Savannah \$1,430,380; Port Everglades \$1,241,746; Mobil \$1,000,151 and Port Canaveral \$1,000,063.



## Lowering the boom for dropping the anchor

A cruiseship passenger who lowered the anchor on the *Ryndam* last year faces up to 20 years in prison after pleading guilty.

Rick Ehlert deployed the anchor of the 1,260-passenger, 55,819 gross ton Holland America vessel in the early hours of November 24, 2010, while the ship was cruising the Gulf of Mexico. Tuxedo-clad Ehlert was highly intoxicated at the time.

Accident investigators have asserted that the incident "could have caused significant damage," but that *Ryndam* was unharmed because it "was in such deep water that the anchor did not hit the sea floor." A federal grand jury indicted Ehlert on three counts on May 19.

In July, Ehlert's attorney sought to have the charges dropped, arguing that his client had been "foolish" but didn't deserve to be charged using "statutes intended to punish violent acts against American vessels, i.e., Somali pirates or other acts of terrorism". After the judge denied that motion, Ehlert was forced to choose a jury trial or a guilty plea. He pleaded guilty on August 19, to one count of "attempting to damage an apparatus used in connection with loading or unloading a vessel".

The guilty count has a maximum 20-year sentence and a maximum fine of \$250,000. However, the government has recommended that the judge give Ehlert the "low end" of the sentence.