



West Coast Sailors

Official Organ of the Sailors' Union of the Pacific

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SAN FRANCISCO, CALIFORNIA

Friday, August 22, 2014

Manukai rescues sailboat crew in stormy seas enroute to Honolulu

SUP-contracted Matson Navigation Company's containership *Manukai* pulled off a difficult and daring rescue of three yachtsmen whose vessel was floundering in heavy seas while enroute to Honolulu from Stockton, California.

According to Captain John Bloomingdale, Master of the *Manukai*, his vessel was also enroute to Honolulu from Long Beach and attempting to avoid the full brunt of Hurricane Julio which was headed toward the Big Island.

On August 10, at 0836, the *Manukai* received a call from the U.S. Coast Guard in Honolulu stating that the sailboat *Walkabout* was in distress. As the *Manukai* was the only vessel in the vicinity, the 712-foot ship changed course to meet the 42-foot *Walkabout* which was 250 nautical miles due north and roughly 50 nautical miles east of the center of Julio. The *Walkabout* had three persons aboard, was taking on water, had no operable life raft, no EPIRB (Emergency Position Indicating Radio Beacon) and was too far offshore for a helicopter rescue.

Roughly an hour after the *Ma-*

nukai received the initial rescue call, the Coast Guard, according to Captain Bloomingdale, called to the *Manukai* to stand down and that the *Walkabout* would ride out the storm. The ship resumed its previous course to Honolulu, but less than an hour later, the Coast Guard received another Mayday call from the *Walkabout*. The vessel had been hit by a rogue wave and a 4'x4' hatch on its deck had been stove in with the boat filled with 500-600 gallons of water. *Walkabout* had lost all power and the crew was bailing by hand as they continued to take on water from boarding seas and rain. The Coast Guard expected the crew to be in the water by the time the *Manukai* arrived.

At 1030, Captain Bloomingdale met with the Chief Mate and Chief Engineer to discuss the new SOLAS (Safety of Life at Sea) procedures for recovering persons from the water. Captain Bloomingdale noted the good fortune of participating in the *Mokihana's* successful rescue of four Japanese fisherman off Guam in 2002 when he was Chief Mate. "I related my experience with them and discussed things that worked and what



SUP gang with survivors of the *Walkabout*: Back row from left are AB Eve Sullivan; Mike Vanway, Ben Neely, Lee Neely (crew of the *Walkabout*); Front row from left are AB Dio Gonzales, AB Paul Harsany, and Bosun Burt Genita. Missing from the picture, taken in Honolulu Harbor, are ABs Forrest Jackson and Rob Morgan.

didn't. We put together a list of items we had and how we could best use them. I had the Medical Officer review treatment procedures for hypothermia

and shock. After the meeting, the Chief Mate and the Sailors gathered up and staged all the equipment on deck. By 1400 everyone on both deck and engine side were knocked off to rest. Our ETA to the *Walkabout's* location was 2100 and I expected it to be a long night. Despite the early knockoff, I don't think any of us rested. I dozed off for 30 minutes or so, but my mind wouldn't let me sleep. During the course of the day I continued to get position updates from the USCG. The USCG had dispatched a C-130 aircraft to the *Walkabout's* location. The boat was drifting NE at about 2 knots and our ETA was getting later. The C-130 made multiple attempts to drop life rafts and pumps to the stranded boat, but the *Walkabout* had been unable to recover any. Jeppesen passage planners scrambled together weather data in the *Walkabout's* location and updated me

every three hours, if not more often, with wind, sea and swell conditions. The expected wind was south at 25-30 mph with 16-foot seas and a 13-foot swell."

Captain Bloomingdale's riveting commentary continues: "Throughout the afternoon and into the early evening I continued to have contact with the USCG. I learned they had no surface vessels enroute, that we were the primary rescue platform, and that no one else was coming. The *Walkabout* had no sat phone, only a VHF powered by their last remaining battery, all the other batteries were damaged. I was informed that there would be a C-130 on location when we arrived to guide us in.

Around 2030 we began making calls on VHF Channel 16 which were immediately answered by the C-130. We couldn't see the plane yet, but we had communication. They updated us with

continued on page 6



Bosun Burt Genita tending a line attached to the *Walkabout's* bow so the crew could board the *Manukai* via the pilot ladder.

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



SUP Quarterly Finance Committee Report

SUP QUARTERLY FINANCE COMMITTEE REPORT FOR THE QUARTER ENDED JUNE 30, 2014

The Quarterly Finance Committee, duly authorized to act by the regular meeting at Headquarters on July 14, 2014, hereby submits the following report:

SUMMARY OF CASH AND INVESTMENTS

General Fund.....	\$1,452,177.72
Political Fund	\$14,868.33
Strike Fund	<u>\$1,293,730.99</u>
Total Cash and Investments 2nd Qtr. 2014	<u>\$2,760,777.04</u>

GENERAL FUND

Income:	
Dues, Initiation, Assessments	\$91,119.45
Interest	10,263.86
Donations - <i>West Coast Sailors</i>	965.00
Tanker & Joint Committee, Hiring Hall.....	129,109.39
Advertising & Promotion	220.00
Miscellaneous Income, Reimbursements, Fines.....	8,640.74
Reimbursed Administrative Expenses.....	17,177.05
Contributions - General Fund	<u>790.00</u>
Total Income:	<u>\$258,285.49</u>

Expense:	
Auto & Travel	\$390.00
Rent.....	14,451.70
Postage, Printing & Office	5,817.52
Telephone & Telegraph.....	4,503.64
<i>West Coast Sailors</i> Publishing Expense	13,960.36
Contributions	2,225.00
Accounting	2,900.00
Per Capita	12,127.40
Salaries & Payroll Taxes.....	179,335.73
Office Workers Pension.....	7,670.40
Insurance.....	33,951.13
Field Expense.....	443.87
Committee & Neg., Conference & Conv.	7,290.82
Investment Expense	1,448.68
Flowers.....	693.25
Officials Pension.....	2,015.91
Subscriptions	<u>4,681.25</u>
Total Expense:	<u>\$293,906.66</u>

BUILDING CORPORATION

Income:	
Rents	\$145,377.72
Building Improvements.....	300,000.00
Bldg. Util. & Service Reim.	<u>1,260.90</u>
Total Income:	<u>\$446,638.62</u>

Expense:	
Building Services & Utilities	\$30,367.91
Repairs & Maintenance	31,623.40
Insurance.....	5,451.41
Salaries & Payroll Taxes.....	15,797.06
Pension	319.44
Auto	174.00
Office	1,716.49
Accounting.....	1,600.00
General Tax	16,165.90
Filing & License Fee.....	2,380.00
Building Improvements - Legal.....	<u>5,614.67</u>
Total Expense:	<u>\$111,210.28</u>

POLITICAL FUND

Income:	
Contributions	<u>\$3,135.00</u>
Total Income	<u>\$3,135.00</u>

Expense:	
Contributions	<u>\$5,925.00</u>
Total Expense:.....	<u>\$5,925.00</u>

Net Income 1st Qtr.....	<u>\$297,017.17</u>
Net Income YTD:	<u>\$355,817.35</u>

/s/ Kim Dulay

/s/ Diane Ferrari

/s/ John A. Perez

/s/ Frank Portanier

/s/ Arthur Thanash

*ACTION BY THE MEMBERSHIP August 11, 2014. M/S/C—That we concur in the report of the SUP Quarterly Finance Committee and, as per past practice, publish in the **West Coast Sailors**. Carried unanimously.*

Shipshape app for mariners

The latest app for shipping-industry owners of smartphones and tablet devices has been developed by the Danish tug company Svitzer to improve the focus on employees’ safety.

Shipshape, which plays on the term “shipshape” –meaning to keep things in order– is aimed at challenging complacency on vessels and encouraging behavioral change.

Duke Shaper, the character for the Svitzer Safety Shipshape campaign, is tasked to remove various safety hazards from around a vessel without tripping

over them and losing the game.

The character has to do things like clean up oil spills on the deck and close drawers in the onboard office to make the vessel shipshape. But the more hazards Duke Shaper shipshapes, the more the tempo and frequency of the obstacles increase.

Mika Bildsoe Lassen, Svitzer’s head of communications, says Shipshaper, which can be downloaded from the Apple App store and Google Play, is “an interactive and fun tool for our industry employees to remember to always stay focused on safety routines on the job”.

Baby aspirin may fight cancer

A large review of available data has confirmed what many experts have long suspected: Taking small amounts of aspirin over long periods of time reduces the risk of colon cancer and certain other cancers.

British researchers gathered evidence from six published systematic reviews and four individual studies with data on long-term aspirin use in people 50 to 65 years old. The analysis, published online in *Annals of Oncology*, found strong evidence that aspirin reduced the risk of colorectal cancer, and good evidence that it also reduced the risk of esophageal and stomach cancers. There were smaller or more variable effects for protection against breast, prostate and lung cancers.

They also found that long-term use was required. In controlled trials, there was no benefit until at least three years of use, and mortality was reduced only after five years. A baby aspirin of 75 to 81 milligrams was sufficient, and there was no evidence that larger doses provided added benefit.

Gastrointestinal bleeding was a common and serious side effect, and the risk

increased with age. But there was clear evidence that the benefits vastly outweighed the side effects, said the lead author Dr. Jack Cuzick, the director of the Wolfson Institute of Preventive Medicine at Queen Mary University of London. “People should talk to their doctors to make sure there’s not risk of bleeding,” he said, “but the evidence is that everyone between 50 and 65 should consider aspirin.”

Final Departures

Joseph Suire, Book No. 7393. Born in Louisiana in 1926. Joined SUP in 1953. Died in Jefferson, Louisiana, July 3, 2014. (Pensioner)

Edward Pardo, Book No. 3839. Born in California in 1935. Joined SUP in 1967. Died in South San Francisco, California, July 14, 2014. (Pensioner)

Otis Phelps, Book No. 3463. Born in American Samoa in 1937. Joined SUP in 1944. Died in San Francisco, California, June 23, 2014. (Pensioner)

Kaiena Bishaw, Book No. 5595. Born in Hawaii in 1929. Joined SUP in 1953. Died in Pearl City, Hawaii, July 16, 2014. (Pensioner)

Raymond Bell, Book No. 4917. Born in Australia in 1926. Joined SUP in 1944. Died June 26, 2014. (Pensioner)

George Boyeas, Book No. 5470. Born in Minnesota in 1928. Joined SUP in 1945. Died in Hermiston, Oregon, July 17, 2014. (Pensioner)

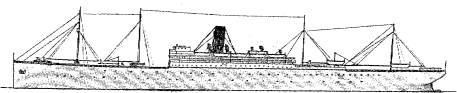
Franklin Breithaupt, Book No. 5688. Born in Hawaii in 1935. Joined SUP in 1962. Died in Honolulu, Hawaii, July 16, 2014. (Pensioner)

Raymond Gonyer, Book No. 2979. Born in Minnesota in 1934. Joined SUP in 1956. Died in Cairo, Missouri, July 23, 2014. (Pensioner)

William Tice, Book No. 3239. Born in Pennsylvania in 1929. Joined SUP in 1957. Died July 21, 2014. (Pensioner)

Wallace Rowley, Book No. 3037. Born in California in 1929. Joined SUP in 1953. Died in Redding, California, August 1, 2014. (Pensioner)

Robert Torano, Book No. 3251. Born in Massachusetts in 1929. Joined SUP in 1951. Died July 23, 2014. (Pensioner)



ATTEND YOUR UNION MEETINGS!			
SUP Meetings			
These are the dates for the regularly scheduled SUP meetings in 2014:			
		<i>Hdq.s.</i>	<i>Branch</i>
September		8	15
October	Tues.	14	20
November		10	17
December		8	15

West Coast Sailors

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PENSION PLAN OFFICE
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Matson second quarter profit lower, but revenue increases

Matson announced this month it had a profit of \$18.1 million in the second quarter of 2014, compared with a \$20.1-million profit in the same 2013 period. Total operating revenue was \$436.4 million in the second quarter, compared with \$416.6 million in the second quarter of 2013.

The company's ocean transportation business had revenue of \$321.1 million in the second quarter of 2014, a 3.6% increase over the same 2013 period, but the company had a 4.4% decrease in operating income to \$32.8 million in the same period.

The company said that in the second quarter, "market growth returned to the Hawai'i trade; however, the company experienced modest competitive losses in eastbound backhaul freight and Pacific Northwest-originated commodity freight. For the second half 2014, the company expects growth in the Hawai'i trade to continue, with its Hawai'i volume expected to be flat-to-slightly up compared to the second half of 2013."

It noted that Pasha is expected to launch a new ship that will have containership capacity into the Hawai'i trade later this year, but is not expected to have any material impact on it this year.

Matson offers an eastbound service from China, and it said on that trade, "overcapacity is expected to continue, with vessel deliveries outpacing demand growth. However, the company expects to maintain its volume and average freight rates with high vessel utilization levels, as its expedited service continues to realize a premium to market rates."

In Guam, it said "muted growth is expected, and the company envisions its volume to be modestly better than 2013, assuming no

new competitors enter the market."

In its business between the West Coast and Hawai'i, the company moved 34,800 containers in the second quarter, 2.5% fewer than in the same 2013 period, and 19,600 automobiles, 15.5% fewer.

CEO Matt Cox said the company had parted ways with car customers that provided Matson with the least amount of operating margin and that the business had become more difficult to justify, but he said the company expects to be in the automobile business for the long term.

Matson's logistics business had revenue of \$115.3 million in the second quarter, an increase of 8.2% over the same 2013 period. Operating income for the logistics business was \$2.9 million in the second quarter, a 31.8% increase over the same 2012 period.

Asked by a securities analyst if Matson might expand into the trade between the U.S. mainland and Alaska or other Jones Act trades, Cox said the company had determined that using surplus ships to enter the Alaska trade would not make money for Matson. But he added if the operations of one of the two companies in the Alaska trade today—Horizon and TOTE—were for sale, Matson would be a "willing buyer" as it would be "highly complementary" to Matson's current business.

He said Matson is "very comfortable" with the Jones Act and would not shy away from other opportunities for investment in domestic shipping, though he noted some are far afield from what Matson does today, while others are more similar. He said there was no timetable for such investments, and they would have to be some rationale for such a deal.

Former MarAd chief counsel calls out agency on shipbreaking

K. Denise Rucker Krepp, former chief counsel for the Maritime Administration, has called for the agency to stop the outsourcing of ship recycling jobs and for Congress to enact legislation regarding ship recycling, if needed.

In an open letter published in *The Advocate*, she said ship recycling is part of MarAd's mission to support the maritime industry in America. Outsourcing this job to "the beaches of Asia" is not only against the agency's goals, but encourages the act of shipbreaking without regard to environmental or other protocols.

"Halfway across the world, shipbreakers, operating without regulation on tidal beaches, force their workers to take apart the ships, including those from the United States, by hand," she wrote in. "The workers are treated like chattel, denied safety equipment or specialized training, and paid negligible wages. Since the beginning of the year, dozens of workers have died, and yet, the U.S. government is allowing U.S. ships to be scrapped in conditions that would never be acceptable in our country."

She added that these jobs used to be carried out by workers in the Gulf Coast, but that these jobs have been shipped overseas. These highly regulated jobs had provided an employment boost to an area of the country hit hard by the recession, she said.

"As the former MarAd chief counsel, I am extremely puzzled by the agency's refusal to support Gulf Coast jobs. Why is the government spending millions to educate workers if not to find jobs?" she asked. "Similarly, why is it supporting human rights and environmental abuses overseas instead of a capable domestic industry that feeds the domestic steel industry?"

Inspection campaign on STCW hours of rest announced

Maritime authorities of the Paris, Black Sea, and Tokyo Memoranda of Understanding (MOU) on Port State Control (PSC) are about to start a joint Concentrated Inspection Campaign (CIC) on STCW Hours of Rest that may be joined by other PSC regimes. The campaign is being launched to verify that watchkeeping personnel are complying with the requirements regarding hours of rest per STCW 78 as amended. The inspection campaign will be held for three months running from September 1 through November 30, 2014. **SUP members should**

be aware of the upcoming campaign and make sure that time sheets are complete and accurate.

During regular Port State Control inspections, selected items will be inspected in more detail for compliance with STCW. Port State Control officers will utilize a questionnaire that covers nine selected areas for verification. There are also additional questions aimed at gathering information about the existence of the two-watch system, requirements for engineering officers, and Unattended Machinery Space designation. When



Aboard the Mokihana on July 16, in Oakland. From the left: O.S. Antonio Respicio, A.B. Patrick Weisbarth, San Francisco Business Agent Roy Tufono, A.B. Lymwel Gador, Bosun Maea "Jay" Loe, A.B. Daniel Tin Tun (behind), A.B. Emmanuel Rezada and A.B. Pio Aujero.

APL's parent reports \$54 million loss for second quarter of 2014

Neptune Orient Line (NOL) has reported a loss of \$54 million in the second quarter ending June 30, a 55% bigger loss than the \$35 million loss in the same 2013 period.

Revenue for the second quarter was \$2.05 billion, down 1% from the same period the prior year.

The company said its container shipping unit, APL, had second quarter revenue of almost \$1.7 billion, a 2% drop from the same period a year earlier. Volume was approximately 662,000 FEU, down 6%, which the company said was due to strict capacity management. The company's average revenue per FEU was \$2,320, a slight increase from the \$2,315 recorded in the same 2013 period.

The company said APL made a 29% improvement in its before-tax earnings over the same period last year, recording a loss of \$29 million, compared with a \$41 million loss in the same 2013 period.

APL attributed a 3% increase in costs of sales per FEU "largely to a nation-wide trucking shortage in the United States, port congestion issues in Southern California, as well as empty equipment repositioning costs."

In a statement, APL President Kenneth Glenn said, "The improvement in our second quarter operating results is significant given that we saw reduced revenue and higher operating costs. We were able to achieve this through our continued focus on lowering fixed costs. "We have now taken delivery of all our newbuildings and are returning more of our less-efficient and expensive chartered tonnage."

deficiencies are found, the Port State may record them and instruct the Master to undertake corrective action within a specified period. Serious deficiencies could result in detention. U.S. vessel detentions may result in a follow-up inspection by the Coast Guard. The results of the campaign will be analyzed and findings will be presented to the governing bodies of the MOUs for submission to the IMO.

Questions can be directed to LT Cory Heard, Office of Commercial Vessel Compliance, Commandant (CG-CVC) at (202) 372-1208.

APL said its utilization of ships on headhaul routes was at 95% in the second quarter, compared with 90% in the second quarter of 2013.

Compared with the second quarter of 2013, APL said these were the conditions in various regional trades in the second quarter 2014:

- TransPacific volume was flat at 194,000 FEU, and average revenue per FEU was down 3% to \$3,361;
- Intra-Asia volume was down 9% to 292,000 FEU, and average revenue per FEU was down 2% to \$1,430;
- Asia-Europe volume was flat at 101,000 FEU, and average revenue per FEU was up 13% to \$2,433;
- Latin America volume was down 10% to 43,000 FEU, and average revenue per FEU was down 10% to \$3,089;
- TransAtlantic volume was down 22% to 32,000, FEU and average revenue per FEU was up 4% to \$2,771.

Glenn said profitability in the TransPacific trade has been a challenge and that the company has "work to do in further taking out costs, particularly on the fixed cost side to improve that trade's profitability," and that the company is focused on cargo selection and cargo flows, and is reviewing its book of business for both head haul and back haul cargo.

As to the outlook for peak season, Glenn said volumes are "quite good" headed out of Asia for both North America and Europe, but said it was still early to say how things will pan out for the remainder of the year. He said rate increases were taken for both trades on August 1.

NOL's supply chain management business, APL Logistics, had second quarter revenue of \$379 million, a 7% increase over the same 2013 period.

"A recovery in the North American automotive sector after a slow first quarter further hampered by severe weather conditions, helped propel its business," the company said. "At the same time, APL Logistics experienced stable business demand in emerging markets and in Europe." APL Logistics President Beat Simon said, "Our strategy to seek growth opportunities in selected industry verticals and attractive markets is on track."

SUP Honor Roll

Voluntary contributions from the membership to the following funds:

Organization/General Fund

Chris Bunheirao	50.00
Norhaslan Idris	60.00
Noel Itsumaru	50.00
Abe Krula	50.00
Brian Traeger	50.00
Harold Uriarte in memory of Wally Stephens	209.24
Harold Uriarte in memory of Andrew Furuseth	400.00

Political Fund

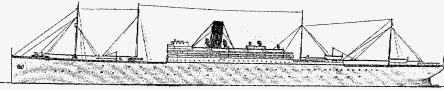
Apolinavio Aguirre	50.00
J. Anderson-Kaisa	20.00
Emo Aulelaua	10.00
William Berger	100.00
Rogelio Berioso	30.00
Archie Bickford	50.00
Dave Connolly	100.00
Douglas Crute in memory of Andy Andersen	50.00
David Fadoul	100.00
Diane Ferrari	100.00
Teodoro Gadais	20.00
JanPeter Johnsson	20.00
Gunnar Lundeborg	50.00
Mick McHenry	50.00
Vince O'Halloran	100.00
Jesper Pfeil	25.00
David Reinking	10.00
Emmanuel Rezada	50.00
Eric Williamson	100.00

Dues-Paying Pensioners

Gordon Abbott	Book #3785
William Berger	Book #4642
Robert Copeland	Book #4763
Donald Cushing	Book #4777
Romaine Dudley	Book #2593
Diane Ferrari	Book #2251
Knud Jensen	Book #3940
Kaj E. Kristensen	Book #3120
Hannu Kurppa	Book #3162
James K. Larsen	Book #4055
Duane Nash	Book #2437
John Perez	Book #3810
Alex Romo	Book #3193
Francisco Salvatierra	Book #7498
James Savage	Book #7488
Ralph Senter	Book #7323
David Shands	Book #7483
Arthur Thanash	Book #3249

West Coast Sailors

John Gugich	25.00
Franklin Haugen	25.00
Norman Kurtz	25.00
John Linderman in memory of Andy Andersen	100.00



Panama Canal authority in talks with Chinese concerning fourth set of locks

The Panama Canal Authority (ACP) announced this month, that its administrator, Jorge L. Quijano, has had discussions with a delegation led by Mo Wenhe, Chairman of the China Harbor Engineering Company (CHEC) and Wei Hua Wang, a representative of the Chinese-Panamanian Office of Business Development, to build a fourth set of locks for the Panama Canal.

According to the Panama Canal release, Mo showed interest in the development of projects in the Panama Canal during the upcoming years. “We are exploring our participation in all canal projects, especially in the design, construction and financing of a fourth set of locks,” said Mo.

The Panama Canal is currently being expanded for a third set of locks, a project that has seen delays due to labor issues and a dispute over cost overruns.

The release said CHEC is a leading full-service provider of engineering-procurement-construction, build-operate-transfer and public-private-partnership projects for the public and private sectors. Currently, it said CHEC is present in more than 80 countries, including Panama where it will be setting up its regional headquarters. Last June, then Honduras President Porfirio Lobo signed a memorandum of understanding with CHEC to build a multibillion inter-oceanic railroad with up to 10 rail lines.

Traffic through the Panama Canal has grown steadily even though its locks were increasingly out of date with the growth in ship sizes. The largest ship that can currently transit the Panama Canal is roughly 5,000 TEUs, while 18,000-TEU ships are now in service and ships larger than 19,000 TEUs are being built. Once the third set of locks are completed, the Panama Canal will be able to accommodate 98% of the world container fleet by 2018, but by then it may not be large enough.

—LABOR DAY—

Labor Day differs in every essential form from other holidays of the year in any country. All other holidays are in more or less degree connected with conflict and battles of man’s prowess over man, or strife and discord for greed and power, of glories achieved by one nation over another. Labor Day is devoted to no man, living or dead, to no sect, race or nation.

Samuel Gompers
President of the American Federation of Labor
from 1886-1924

Matson finalizes \$10 million surcharge settlement

Matson Inc. has finalized a proposed legal settlement with the U.S. Department of Justice and a whistle-blower over fuel surcharge reimbursements that will cost the Hawai’i-based ocean cargo transportation company \$10 million.

The company announced on July 22, that it signed a settlement agreement to resolve a lawsuit filed in California by Mario Rizzo on behalf of the federal government. Rizzo contended that Matson misapplied fuel surcharges on military household goods shipments between Hawai’i or Guam and the mainland that were ultimately paid for by the Department of Defense.

Matson said in February that it planned to settle the lawsuit and reserved \$10 million from its fourth-quarter earnings for the expense. At that time the settlement, which was proposed through nonbinding mediation, still needed federal government approval.

Under terms of the settlement, Matson will pay the government \$9 million, of which Rizzo will receive about \$2.6 million. Matson also will pay Rizzo \$950,000 for legal expenses.

Matson said in a statement that the settlement agreement has no bearing on the merit of Rizzo’s allegations.

“This agreement is neither an admission of liability by Matson nor a concession by the United States or (Rizzo) that their claims are not well-founded,” the company said.

Rizzo, who according to the shipping industry publication *TradeWinds* is a freight-forwarding industry consultant, filed his lawsuit in 2010 in U.S. District Court in California against Horizon Lines and added Matson as a defendant in 2012.

Horizon said in its most recent financial report filed in May that it intends to vigorously defend itself against the suit.

Specifically, Rizzo alleged that Matson and Horizon combined fuel surcharges for ship and rail transportation on bills to freight forwarders contracted to move household goods for military personnel. The federal government, however, prohibits rail fuel surcharges on military household goods shipments to the mainland from Hawai’i and Guam.

Egypt announces plans to build additional waterway

The Egyptian government has unveiled its plans to build an additional waterway alongside the existing Suez Canal to accommodate the growing traffic along the Asia-Europe shipping lanes.

The 45-mile-long canal, which will run parallel to the Suez Canal channel, will enable ships to sail uninterrupted in both directions, which will cut waiting times to transit the waterway from 11 hours down to around three hours. Currently, the canal only provides for one-way traffic, with passing places in the Ballah Bypass and Great Bitter Lake.

The new channel will use up approximately half of a previously announced \$8.5 billion project that also includes the construction of a free trade zone, an industrial park and a regional logistics hub for the Middle East, North Africa and the Mediterranean.

The channel, which is scheduled to be built by some 40 local companies and the Egyptian army, is scheduled for completion in five years, but the government is hoping to cut the timetable down to three years.

The current 101-mile-long Suez Canal might also be widened as part of the project in a bid to better compete with the enlarged Panama Canal, which will be able to handle much bigger container vessels than the current 5,000-TEU limit when completed.

The Suez Canal currently handles as much capacity on Asia-United States East and Gulf Coast routes as the Panama Canal, but it could see its recently gained market share decline again if the Panama Canal sets competitive tolls for the larger ships it will handle when its enlarged locks are finished in early 2016.

Suez Canal revenues total about \$5 billion and are a crucial source of foreign currency for the Egyptian economy, which is in tatters following three years of political instability. Egypt hopes the new lane’s extra capacity will attract more ships and thus more foreign currency.



AB Jason Magi (left) standing gangway watch in the APL Coral and Jordon Polon (right) on the dock just before boarding the vessel to join the rest of the SUP standby gang in Port Elizabeth, New Jersey, on July 26. Photos: Dave Connolly

Legislation seeks to provide veterans’ benefits to U.S. merchant mariners who served during the Vietnam Era

Congressman Sanford Bishop (D-Georgia) has introduced a bill in the House of Representatives that, if approved by the House and Senate and signed into law, would provide eligibility for veterans’ benefits to U.S. merchant mariners who served in the Southeast Asia theater of operations during the Vietnam Era.

The legislation, H.R. 5112, was introduced on July 15 and has been referred to the House Committee on Veterans Affairs.

Congressman Bishop is a member of the House Appropriations Committee and is the ranking member on the Military Construction, Veterans Affairs and Related Agencies Subcommittee.

H.R. 5112 would apply to U.S. merchant mariners who were crew members of vessels in oceangoing service in the Southeast Asia theater of operations during the Vietnam Era and receive a certificate of honorable discharge.

The legislation specifies: “The Secretary of Defense shall, upon application, issue a certificate of honorable discharge to an individual in the United States merchant marine who served as a crew member of a vessel that was in oceangoing service during the Vietnam Era in the Southeast Asia theater of operations who, as determined by the Secretary, engaged in service of a nature and duration that warrants issuance of the certificate.”

The legislation defines the Vietnam Era as “(A) the period beginning on February 28, 1961 and ending on May 7, 1975, in the case of an individual in the United States merchant marine who served in the Republic of Vietnam during that period; and (B) the period beginning on August 5, 1964, and ending on May 7, 1975, in all other cases.”

The legislation has been referred to the House Veteran’s Affairs Subcommittee on Disability and Memorial Affairs. Companion legislation has not been introduced in the U.S. Senate.

Japanese ship hits seawall at 15 knots

Working while fatigued is equivalent to working while under the influence of alcohol, says Captain Paul Drouin, the edition of the Nautical Institute’s Mariners’ Alerting and Reporting Scheme (MARS) reports. The Japanese Transport Safety Board report MA2014-1 brings home the importance of adequate and continuous sleep for all crew and of keeping a proper lookout, he says.

The report describes a small container ship that hit a seawall when the officer of the watch (OOW), alone on the bridge in the dark, fell asleep. It was the early morning hours, but still dark, and the ship was making way at about 15 knots on autopilot. The visibility was good and there was no traffic, so the master had given the instruction for the OOW to be alone on the bridge. A few hours into his watch the OOW began to feel drowsy, so he began walking briskly around the wheelhouse. He then sat in the chair in front of one of the radars, confident he would not fall asleep. However, somewhere between buoys four and five as they made landfall he fell asleep.

About 40 to 50 minutes later, at approximately 04:40, he woke up abruptly when he was thrown out of the chair by the impact of a collision. The vessel had hit the

seawall on the northern side of a nearby bridge. The ship was not equipped with a bridge watch navigation alarm system (BWNAS) at the time of the accident, nor was it required to have one.

Had a proper lookout been assigned to assist the OOW it is unlikely the collision would have transpired, had he reported his drowsiness to the master, alternative watch arrangements could have been made.

Drouin says, “Although this ship was ostensibly operating under a three-watch system, fatigue can affect anyone if proper “sleep hygiene” is not practiced. It has been demonstrated in numerous studies that the average person needs seven to eight hours of continuous sleep for it to be truly recuperative. Working while fatigued is equivalent to working while under the influence of alcohol. Although a BNWAS is a device that can help prevent accidents like this (and today this ship would be required to have one), the real solution is proper rest for all crew and a proper lookout.”

The Mariners’ Alerting and Reporting Scheme is a confidential reporting system run by The Nautical Institute to allow full reporting of accidents (and near misses) without fear of identification or litigation, to promote lessons learned.

Colombo Port City project to start in September

Phase one of Sri Lanka’s mega \$900 million offshore Colombo Port City project has received its environmental permit and will begin in September, said Sri Lanka Ports Authority’s (SLPA’s) planning and development chief engineer Susantha Abey-siriwardena. Work was to have begun in March, but was delayed because approvals had not been received from various state agencies.

Main contractor China Harbor Engineering Company (CHEC) is scheduled to complete phase one of the Port City in two years, which involves reclaiming about 576 acres of land from the sea and constructing an approximate two-mile long breakwater.

Under CHEC’s deal with the Sri Lankan government, the firm will retain 267 acres under a 99-year lease to cover its costs. CHEC has also expressed its willingness to invest a further \$2 billion to create other facilities under a plan approved by the government’s review committee.

The entire development is projected for completion in 39 months. Phase two will give Sri Lanka its first 100-story skyscraper and also covers construction of hotels, other high-rise buildings, shops, offices and recreational facilities including a golf course.

Environmental issues during construction are still possible, said the SLPA. Dredging sand to build the city’s artificial islands is likely to cause turbidity, which could affect marine habitats such as nearby coral reefs.



This photo was taken at the Panama Canal before transit to the Pacific aboard the USNS Waters. It was a long day and the SUP gang did an amazing job as always. From bottom left: Delegate and A/B Chase Kestel, A/B Limneo Bation. From top left: A/B Czeslaw Knobbe, O/S Timothy Jones, Bosun Scott Weideman, and O/S Lorenzo Otis. The Waters is operated for the Military Sealift Command by SUP-contracted Patriot Contract Services.

Roofers: Obamacare threatens Union health and welfare funds

This is a joint statement issued on July 30, attributable to: Kinsey M. Robinson, International President of the United Union of Roofers, Waterproofers and Allied Workers and William Good, Executive Vice President of the National Roofing Contractors Association:

“The Affordable Care Act (ACA) is a fatally flawed law that fails to control rising health care costs and contains numerous taxes, fees and mandates that are increasing costs for employers and workers, thus threatening economic growth and job creation in the roofing industry. By mandating expensive minimum benefits and mandating complex new regulatory requirements for many employers, the ACA is increasing costs, driving up health insurance premiums and reducing affordable choices for businesses and workers.

“The ACA is threatening to dismantle multi-employer health and welfare funds that provide affordable, high-quality health care to roofing workers and their families by imposing substantially higher costs. The funds’ costs are increasing because of the various benefit mandates and regulatory requirements. Even more damaging is the ACA’s so-called temporary reinsurance tax, which is costing every health and welfare fund \$63 per covered life in 2014 alone. The proceeds of this onerous tax will be used to subsidize insurance companies. In effect, the ACA takes money from the pockets of employers and workers covered by health and welfare funds and transfers it to insurance companies, and the worker gets nothing in return. These higher costs put more pressure on roofing construction workers, their employers, and their health and welfare funds. In a competitive roofing market, higher costs generally equate to fewer jobs.

“Another concern is the new health insurance tax authorized by the ACA, which will adversely affect workers and employers in all fully insured health plans. This egregious tax is estimated by the Joint Committee on Taxation to cost over \$100 billion over 10 years, and this burden falls mostly on small and mid-sized businesses and their workers. One private study estimates this tax could drive up health insurance premiums by over \$5,000 for a family of four during the next decade.

“The roofing industry will suffer as employers of all sizes, workers, and health and welfare funds experience significantly greater regulatory burden, more government-mandated paperwork and reporting requirements, fewer choices in health care and no mechanism to control costs. We need reform that would truly control rising costs and expand affordable coverage to Americans, but the ACA does not and will not accomplish these goals. The ACA will only serve to increase government regulation, increase taxes and reduce choices for employers and workers in the roofing industry.”

About the United Union of Roofers, Waterproofers and Allied Workers: The United Union of Roofers, Waterproofers and Allied Workers was formed in 1903 and is headquartered in Washington, D.C. It represents 25,000 highly skilled workers in the commercial and industrial sectors of the roofing industry. The Union has business offices and training centers throughout the continental U.S., Alaska and Hawai’i.

About the National Roofing Contractors Association: Established in 1886, NRCA is one of the nation’s oldest trade associations and the voice of professional roofing contractors worldwide. NRCA has nearly 4,000 contractors in all 50 states who are typically small, privately held companies, employing an average of 45 people and attaining sales of about 4.5 million per year.

Manukai rescues sailboat continued from page 1

the Walkabout's position and she continued to track NE, our ETA had stretched to 2200. At 2110 we commenced maneuvering. The air was humid, the wind and seas as forecasted, but I couldn't make out the swell direction. I called out the Chief Mate and Sailors and turned on as many deck lights as I could without impacting our visibility. On the radars there was heavy sea return and rain squalls. Around 2140 we had visual contact with the C-130 which was flying low beneath the cloud cover. We knew we were getting close. At 2210 the lookout spotted a dim light low in the water in the direction we were headed. We immediately attempted to hail them on the radio and they responded. Manukai had found them and they were still afloat. A small victory.

On our initial VHF contact with Walkabout, we had a list of questions for the boat in order to better evaluate their situation. The owner informed us that only one of the persons needed to be taken off the vessel if we could get them a pump. This was a little disconcerting to say the least, but we let this request pass for a later time. We had to get a line to them before we could start talking about who and how much we could get to them. The conditions were far from ideal for an interface between a 712-foot steel ship and a 42-foot crippled fiberglass boat in the aftermath of a hurricane.

By the time we spoke to the Walkabout, the wheelhouse

Piracy incidents increase in Southeast Asia

The International Maritime Bureau (IMB) Piracy Reporting Center (PRC) has published a report which confirms the worrying growth regarding the amount of hijackings in South East Asia during the first half of the year. The report said that at least six known cases of coastal tankers hijacked in the region for their cargoes of diesel or gas oil have been reported since April, "sparking fears of a new trend in pirate attacks in the area. Until then, the majority of attacks in the region had been on vessels, mainly at anchor, boarded for petty theft," the report read.

"We advise [small coastal tankers] to maintain strict anti-piracy measures in these waters, and to report all attacks and suspicious approaches by small craft," said IMB director Pottengal Mukundan.

Indonesia accounted for 47 of the 116 incidents of piracy and armed robbery against ships reported to the PRC during the first six months of 2014, included 40 incidents where vessels were boarded. The Indonesian marine police have increased their patrols at Pulau Bintan, where 18 of the incidents were reported.

Globally, the number of incidents had fallen from the 138 reported for the first six month of 2013 down to 116 incidents this year. West Africa continues to be a danger zone globally, with 23 incidents reported, including four hijackings. The number of Somali pirate attacks continues to remain low but has not diminished, and the IMB advised that ships sailing in the area to remain vigilant and apply best management practices.



OS Devionce Griffin working on the bow of the USNS Sisler off Diego Garcia in the Indian Ocean on July 27.

and main deck rails were filling up with crew members who were anxious to see what was going to happen. I had seen this same situation on the Mokihana in 2002. Everyone wants to help, but they end up adding to the confusion. I continued to slow the vessel and maneuvered to a heading of about 030 degrees to put the Walkabout on the port bow in the lee when we passed. My intent was to get a look at them, evaluate their situation and determine the best course of action. We continued to talk with them on the VHF. They confirmed they had no life raft but they did have life jackets. At this time our plan was to get them our six-man life raft and any pump we could find that might help them. We had wrapped two ratchet straps around the life raft case and attached a line to the strap. Our intent was to pass them a line with our line throwing apparatus, then tie it to the line on the life raft, lower the raft to the water and let them pull it to themselves. At least then they would have a life raft if their vessel sunk. Based on my Mokihana experience I knew we wanted to get the raft to them intact because it is near impossible to pull an inflated life raft through the water.

We were able to plot them on radar around five miles away but as we drew closer to their light we lost them in the sea return. We still had visual and I continued ahead reducing speed until the engines were stopped. We were close now but the distance was difficult to judge in the dark. Suddenly they disappeared. Everyone in the wheelhouse and on the bow lost sight of them. It looked like they turned off their light or maybe they were obscured by a rain squall? A few minutes later the lookout on the bow spotted them close on the port bow. Our speed was just over 3 knots. As they passed down the port side of the stem they heeled over hard to port then back starboard into us. Their mast went under the flare of the bow, the lookout reported contact and sparks and then their mast snapped in two. They drifted slowly down the port side, we attempted to pass a line when they reached the deck house, but their deck was cluttered by the broken mast and everyone a little startled. We deployed three life rings with lights in case someone had gone in the water. The boat continued to drift slowly aft and made contact with our hull a second time on the quarter. The boat got drawn under the counter and disappeared. After a few seconds, the boat popped out aft of the ship. We attempted to contact them repeatedly on VHF without response. I feared the worst and it was the lowest point of the rescue. I was imagining them being knocked overboard or injured and unconscious below deck or even dead.

We called repeatedly with no response. After about 10 minutes a light came on in the Walkabout. I could not have been more relieved. At 2316, 14 minutes after we had made contact with them, they answered back on the radio, "We took a good bump but we're okay". I can't tell you how relieved I was.

We circled back around approaching from the opposite direction this time on a heading of about 250 degrees. The crew of the Walkabout had managed to retrieve one of the life rings we deployed and they placed it on top of their cabin. It seemed so bright compared to the dim light we had seen before coming out of their cabin. A second light buoy was drifting close to their vessel and remained with them throughout the night, I never saw the third one. At this point the Captain of the Walkabout was willing to abandon his vessel. All three persons would be disembarking.

On the second approach we took them down our starboard side and I was able to maintain a radar plot on them. The plot was extremely helpful, I used our two vectors to guide the Walkabout alongside. They were setting 070 at 1.2 knots but as we slowed down and approached them the wind had a greater effect on us and we were being set 040 at 1.8 knots. By coming ahead and astern on the engine and using the thruster I was able to maintain our 250 degree heading, even at 1-2 knots and set down right on them. We worked our way in and made another attempt at 2334 but the line fell in the water 15' or so aft of their boat and they couldn't retrieve it.

The third attempt was from the same direction as the second with similar results. By that time it was 0030 and the crew of the Walkabout were exhausted from bailing and wanted to suspend operations until daybreak. I spoke with the Captain of the Walkabout, he had inspected his vessel and he was confident his boat could survive until dawn. The weather should be improving with every passing hour and daylight would really help so we agreed and

remained under way in the vicinity and monitor Channel 16 if case his situation were to deteriorate.

Everyone then went to bed. If you could sleep... I laid awake until 0145, slept for an hour or so, woke for a few more, then dozed for another 30 minutes and got up. I couldn't sleep and I was having serious doubts about getting these guys aboard the Manukai. Short of waiting 24 hrs for the weather to improve I didn't know what else to try.

At daybreak I went to the bridge and the Walkabout was in sight just a short distance away off the port bow. I guess the crew members on the Walkabout couldn't sleep either as they spent the dark hours of the morning removing the remains of their mast and clearing their decks. This turned out to be a huge help and good thinking on their part. The weather had moderated as Julio moved off NW of us. The wind had decreased to 20 knots from the SE and the seas were now only 9-12 feet. I couldn't believe how much daylight improved the situation. Not only could I see the Walkabout, I could see the sea and swell. The Chief Mate called out the Bosun, two Daymen and the Third Mate. Fewer people was better. The Chief was already up. I had decided to scrap the 'get them a life raft plan', we were going to get a head line to them and bring them alongside to disembark. From what I learned the night before and with the improved conditions and daylight I found new confidence that I could land them alongside the hull around Bay 18, pass a line down and walk them back to the pilot ladder. While we waited for the guys to get on deck and get set up I did a drive-by to get a good look at the boat and see how we were setting. I was still being set to the northeast at 1.2 knots but the Walkabout was setting 190 at 0.6 knots. At 0644 I contacted the Captain of the Walkabout and discussed my plan. I stressed the importance of securing any line we get him to something substantial on his boat. He understood and said he could pass it through two chocks and the hull itself. I discussed the plan with the Chief Mate and Chief Engineer who would be on deck. I stressed the importance of communications once we get a line to the Walkabout. We can't afford to part it, drop it or have a knot pull out, all things that had happen during the Mokihana rescue.

The plan worked perfectly, I was able to creep up on their stern and put them on the starboard bow. We then set right down on to them. They landed a little further forward than I had hoped and went under the flare but we were able to drop a heaving line to them and pass a head line. Once secured I bumped it ahead a few times and they walked right down the hull to the pilot ladder. Having removed their mast the evening before worked out in the end, we would have smashed it even if they didn't go under the flare as they were still listing hard to port and rolling as they came down the hull to the ladder."

At approximately 0752 on Monday, August 11, the Walkabout's skipper Ben Neely, his son Lee Neely and Mike Vanway climbed the Manukai's pilot ladder to safety. At the time of the rescue, the Manukai and Walkabout were approximately 414 nautical miles northeast of O'ahu. The Manukai, with its three passengers onboard, proceeded to Honolulu, arriving early in the morning of August 12.

After the ordeal was over Captain Bloomingdale thanked all the Manukai crewmembers who assisted in the successful recovery of the S/V Walkabout's captain and crew. "Your efforts were truly heroic and much appreciated by the USCG, Matson, myself and most of all the crew of the Walkabout. It is a pleasure to work with professionals such as yourselves." Captain Bloomingdale added that "I feel very fortunate that we pulled this off and no one was injured. I wouldn't want to do it again, but it was sure one hell of an experience and I learned a lot from it, we all did. Everyone that helped out should be commended but Chief Mate Matt Merrill, Chief Engineer Peter Jorgensen and AB Dayman Paul Harsany were outstanding and deserve special recognition."

Attention
Active SUP Members
Make sure Headquarters
has your Current Phone
Number and Address.

ESU Office As-signments

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



AUGUST 2014

Official Publication of the Exxon Seamen's Union

ESU Membership approves new contract

On August 19, the ESU was notified by the American Arbitration Association in New York that the second 2014 MOU between the ESU and SeaRiver Maritime had been approved by the membership. The official results of the referendum showed that out of a total of 85 ballots received there were 61 for ratification of the Contract and 21 against. Three ballots were not counted (two duplicates and one without an identification on the envelope).

A second vote became necessary after an earlier MOU was rejected by the membership on June 5. The Company and the ESU Negotiation Committee returned to the bargaining table on July 1, where a second and final MOU was reached. The new 5 year Contract will be in effect from September 1, 2014 through August 31, 2019. Some of the highlights from the new Agreement are as follows:

- Fixed base wage, CSB, SSHOT, OT, and Penalty increase of 3.50% effective 9/1/2014
- Fixed base wage, CSB, SSHOT, OT and Penalty increase of 3.00% effective 9/1/2015
- Fixed base wage, CSB, SSHOT, OT, and Penalty increase of 3.00% effective 9/1/2016
- Fixed base wage, CSB, SSHOT, OT, and Penalty increase of 3.00% effective 9/1/2017
- Fixed base wage, CSB, SSHOT, OT, and Penalty increase of 3.00% effective 9/1/2018

Upon ratification of the agreement by the membership, but not earlier than 9/1/2014, a non-benefit bearing lump sum ratification bonus of \$2,500 will be paid to all active unlicensed employees.

Involuntary Sea Tour Penalty – Amend Article VII, Section 11 to read, as follows:

In the event an employee’s sea tour is involuntarily extended beyond seventy (70) days, he/she will be eligible for a penalty payment of forty-five dollars (\$45) per day.

Subsistence – Delete Article VIII, Section 2 (D) and amend the remainder of Article VIII, Section 2, to read as follows:

A. The employee shall be paid regular wages while enroute from one (1) port to another, when such travel is required by order of the COMPANY in the course of employment. Subsistence at the rate of \$14 per day of breakfast, \$18 per day for lunch, and \$28 per day for dinner will be paid for the time enroute when subsistence is not included by the transportation carrier. Subsistence at these rates will also be paid when in the shipyard and meals are not provided on the vessel, and when using approved lodging off the vessel. When meals are not provided in the shipyard or on training assignments, employees will receive a per diem amount for meal expenses. For such assignments, subsistence per diem amounts will be \$14 per day for breakfast, \$18 per day for lunch, and \$28 per day for dinner.

B. Employees departing the vessel at any time of the day to go on paid leave will be paid the dinner subsistence rate of \$28. Employees will also receive additional meal allowance based on the travel schedule the Company provides from the vessel to the airport nearest an employee’s home (that is listed in the Official Airline Guide). All other reimbursements for unauthorized lodging and/or subsistence are not applicable after an employee is relieve from a vessel to go on paid leave.

C. While an employee is joining, departing, or serving on a vessel that is engaged in foreign trades and incurs meal expense in that area for which he/she is entitled under some provision of this Agreement to one or more cash subsistence payments in lieu of meals, the rates for such payments will be \$14 per day for breakfast, \$18 per day for lunch, and \$28 per day for dinner. In no case will the rates listed above be less than those rates to which he/she is entitled under the provisions of this Agreement. In foreign trades and shipyards the per diem amount will be indexed according to COMPANY foreign assignment procedures.

Tank Cleaning On Deck Off Watch – Insert the following as a new paragraph at the end of Article XI I, Section 17:

C. The Company agrees to retain the premium pay code for tank cleaning on deck off watch. Members of the unlicensed crew will be eligible for this rate of pay when they:

- (1) Enter fuel tanks, cargo tanks or water tanks and clean same
- (2) Enter pump room bilges or engine room bilges and clean same
- (3) Are engaged in the removal of sludge, either on deck or in the tanks, in the pump room bilges or engine room bilges, or;
- (4) Are engaged in handling sludge drums while tank cleaning is being done.
- (5) Are required to tank wash or to shift tank-cleaning equipment.

Tank Washing is defined as the actual line up of tank cleaning systems, including piping heaters and pump, tank cleaning operation and securing of tank cleaning systems.

Shifting Tank Cleaning Equipment is defined as physically moving of tank cleaning equipment in preparation, during or after completion of tank cleaning.

6. PPE Programs – Amend Article XII, Section 22(C), as follows:

C. Coveralls/Clothing: Effective January 1, 2015, employees may redeem a card which entitles the holder to receive 6 articles of clothing per year (6 pair of coveralls, or 6 shirts and 6 pants, or a combination of the foregoing). The card may be redeemed and garments selected one time per year.

7. Laundry facilities – Insert the following as a new paragraph under Article XII, as Section 23:

23. In a shipyard environment where laundry facilities are not available aboard ship, the Company will exercise best efforts through the local agent to arrange shoreside service for laundry at Company expense.

8. Special Marine Plans – Amend Article XVIII (Benefits Plans), Section 4, to read as follows:

Effective 9/1/2014, the following plans covered by this Agreement have been updated as was explained in a separate addenda:

A. Special Sea Service Annuity Program

B. Sea Service Allowance Program

ESU 2014 Officers Election

In the fall of this year several ESU Executive Board and Ship Representative positions are up for election. December 31, the term of office for the President/Secretary, the two Board Members at Large and the Ship Representatives on the *Sierra* will be on the ballot (if still in service by October 1). Additionally, a Ship Representative position for the new vessel *Eagle Bay* (delivery estimated end of 2014/early 2015). Current *Liberty Bay* Ship Rep., Ein Cooley has decided to run for the position of Board Member at Large and in doing so it was necessary for him to resign his current position as Ship Rep. Therefore the *Liberty Bay* Ship Rep. position will also be up for election and appear on the ballot. In accordance with our Constitution and By-Laws a general election for these positions will be held from mid-October through mid-December, 2014.

To be eligible for an Executive Board position including Board Member at Large, a candidate must be a member in good standing and have at least two years of continuous service with the company. He/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.

A “Candidate Intent Form” (CIF) for the particular office is due to the ESU office no later than October 1, 2014. 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 the ESU office 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 the ESU Constitution and By-Laws.

Ship reports

S/R American Progress

The vessel continues to call on Gulf coast ports for mogas and diesel trades. Board officer John Straley visited the ship on August 21, at Shell Deer Park, Houston. Ein Cooley filling in as Ship Representative.

Kodiak

The vessel remains at the lay berth in Vancouver, WA. The *Kodiak* will remain in a warm layup status with a couple of officers on board until further notice.

Liberty Bay

ESU Officer Leo DeCastro visited the vessel on July 26, at ExxonMobil Refinery in Baytown, TX. After discharging the vessel headed to Corpus Cristi, TX, where it loaded multiple parcels for the LOOP. While at anchor in Corpus Cristi a full crew change out was done and the vessel went through final preparations for the long trip to the West Coast. AB and Board Member John MacCarthy took over for Tim Williams filling in as Ship Representative and reports all is going well. The vessel departed for the West Coast on August 10, with a stop for bunkers in Sint Eustatius in the Caribbean and is expected to be in Long Beach, CA around September 22.

Sierra

The *Sierra* continues in ANS trade between Valdez and West Coast ports. Regular Ship representative AB Thor Floreen back on board and reports everything going well aboard ship.

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

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	Deck Trustee Jeffrey Harris
Board Member at Large Joe Bernavich	Engine Trustee William Ackley
Board Member at Large John McCarthy	Steward Trustee Joel Mitchell

Companies agree to slow ships along Southern California Coast

Six shipping companies announced this month that they have agreed to slow their ships down along the California coastline as part of a coordinated effort to reduce air pollution and protect endangered whales.

The shipping companies, which include COSCO, Hapag Lloyd, K Line, Maersk Line, Matson, and United Arab Shipping Company will reduce their speed on ships that travel along the strip of ocean nestled between the coast and the Channel Islands north of Los Angeles from about 18 knots per hour to less than 12 knots per hour as part of a trial program.

The participating companies will receive \$2,500 per slowed-down transit through the Channel and there is currently enough funding for 16 transits. However the coalition received more than 30 ship transit requests during the trial period and is seeking additional funding to expand.

The program is part of a broader long-term effort to reduce whale fatalities associated with shipping incidents.

Shifting the path of popular shipping lanes along the West Coast could also lower the risk to marine mammals that gather to feed in along the routes. “One of the largest threats to whales right now is ship strikes,” said Sean Hastings, Resource Protection Coordinator for the Channel Islands National Marine Sanctuary. “The slower ships go, the better chance whales have of surviving strikes, and presumably they also have more time to get out of the way.” Similar efforts to the one in Santa Barbara have been taking place at the Ports of Long Beach and Los Angeles. Those efforts have resulted in a 90% participation rate by shipping companies.

The test is expected to run through the end of October and includes the most common time for whales to pass through the channel. Several thousands ships and a couple hundred blue whales pass through the Channel every year. A recent comprehensive study using 15 years of data found that blue whales’ favorite feeding areas along the West Coast are bisected by heavily used shipping lanes.

Daniel Palacios, a co-author on the study, said that it is not often that research results are so applicable to a policy decision. “You will eliminate many of the ship strikes on blue whales by moving the shipping lanes south of the northern Channel Islands,” he said.

Two years ago, the International Maritime Organization agreed to divert southbound ships over a mile away from several of the Channel Islands. This change led to an increase in blue whale sightings and more currents full of krill for the whales to eat.

Slower ships will also have implications for greenhouse gas emissions and local air pollution because reducing ship speeds will significantly reduce emissions of smog-forming air pollutants. Ship emissions off the coast of Santa Barbara County account for over 50% of smog-forming nitrogen oxides in the county. A 2012 study found that when ships slowed from regular cruising speeds to 12 knots, or nearly 14 miles per hour, their greenhouse gas emission dropped by around half.

Sewol: 43 charged with shipping offenses

The *Sewol* ferry capsized off southwestern South Korea on April 16, after making a sharp turn. So far, 294 people have been found dead, with 10 missing presumed dead.

Investigators at the Incheon District Prosecutors Office have expanded their corruption and malpractice investigation, and suspects, including a former chief of the Korea Shipping Association (KSA), a nonprofit organization in charge of inspecting and certifying vessels on behalf of the government, have been charged with embezzlement, breach of trust and tax evasion.

Lee In-Soo, former head of the KSA, is under suspicion of embezzling \$251,500 and failing to implement the organization’s duty to supervise ship operators. Investigators report that Lee is one case out of a common practice in the country where retired government officials get jobs regulating business interests. Relaxed relationships that can follow, and this is believed to have contributed to lax safety checks on the ferry.

Another KSA official is under suspicion of taking bribes from ship operators in exchange for overlooking various illegal acts of the companies, South Korean prosecutors have said.

In May, President Park Guen-hye vowed to fight the cozy ties between shipping companies, private safety inspectors and government ministries that she said created safety loopholes.



SUP pensioners Art Thanash and Kaj Kristensen in the Jeremiah O’Brien on May 24, for the annual Maritime Day Cruise. The Cal Maritime Academy cadet not identified.

Welfare Notes

August 2014

Enrollment in Medical and Dental Plans for Active Participants

When you become eligible for benefits, you must enroll in a Plan to have medical and dental coverage. Please contact the SUP Welfare Plan if you need enrollment forms.

Be sure to complete the enrollment forms with the correct information and mail copies of marriage certificates to enroll a spouse and birth certificates for any dependent children you are enrolling.

Check the information you have indicated to make sure birth dates are correct and the names listed are the names you want to appear on the Plan records and any ID cards that are issued. Please call the SUP Welfare Plan if you have any questions about completing the enrollment forms.

Enrollments are often delayed because the form does not have a required signature. Also note you can enroll in only one medical and one dental plan. California residents have a choice of Kaiser or Health Net medical plans and Delta Care or Pacific Union Dental plans. Submitting enrollments for multiple plans will delay your enrollment in any plan until your choice is verified.

Inform Us of Changes

Please inform the SUP Welfare of dependent changes including death and divorce. Also let us know if a dependent child has health plan coverage through a new employer.

The new fiscal year begins August 1, 2014.

Reimbursement maximums will start fresh August 1, 2014 for Pensioners Annual Allowance on services rendered August 1, 2014 and after. Treatment incurred prior to August still falls under the previous fiscal year maximum.

Michelle Chang, Administrator mcsupsiupd@sbcglobal.net

Patty Martin, MPP & 401(k) Plans,

Death Benefits martinpatty59@sbcglobal.net

Virginia Briggs, Claims vbriggs80@sbcglobal.net

Michael Jacyna, Eligibility mjacyna67@sbcglobal.net

Training Representative Berit Eriksson 206-551-1870

berittrainrep@sbcglobal.net

SUP Welfare Plan 730 Harrison Street, #415 San Francisco, CA 94107

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

Fax: 415-778-5495

SIU-PD Pension 415-764-4987

SIU-PD Supplemental Benefits 415-764-4991

Seafarers’ Medical Center 415-392-3611

Ship captain jailed after six died in 2013 collision

The captain of a Chinese cargo ship has been sentenced to 16 months in jail after his vessel collided with another ship in heavy fog last year. The *Wang Da 6* rammed into the *Hai Bang Da 199* in April 2013. While all 14 crewmen on the *Wang Da 6* were rescued, six of the other vessel’s 11 crew members drowned.

A Hong Kong court found that the accused master had failed to sound a fog signal or adequately reduce his speed before the crash. He admitted to one count of endangering others’ safety at sea.

According to Seatrade Global, two experts testified that he was in breach of international regulations, making two fatal errors. Not only was the captain indecisive in taking action to avoid a collision, he had even attempted to steer to port minutes before the collision, in clear contravention of regulations to steer to starboard to prevent head-on collisions. The judge also ruled that fog was not a justifying factor as the vessel was equipped with radar.

Captain Ruan has been in custody for 14 months since the incident, and will be required to serve the remainder of the sentence.

Membership and Ratings Committee

Met on August 8, 2014, and found the following members eligible for advancement in seniority and rating stamps in the various departments:

Name and Membership Number	Seatime	Rating	Seniority
Leopoldo Martinez B-19362	1 Year	A.B.	B
Oscar Escudero, II C-2446	30 Days	O.S.	C
Edward Stokes C-2447	30 Days	A.B.	C
Jeanine Davis C-2448	30 Days	O.S.	C
Jose Bautista, Jr. C-2449	30 Days	A.B.	C
Sabastian Navarro-Delaney C-2450	30 Days	O.S.	C

Rating Stamps - Kelly Eggers Book #1895 Bosun

Membership and Ratings Committee’s report: M/S to concur in the Committee’s report. Carried unanimously. Membership and Ratings Committee: Colin Dewey #2741, Chris Bunheirao #5749 and Raul Guillen #19213

California container-on-barge service falters

A short-sea shipping service in Northern California supported by a \$30 million grant from the Maritime Administration has not generated sufficient container traffic between the ports of Stockton and Oakland in its first year of operation to maintain a weekly schedule, the Stockton port authority announced this month.

Effective September 1, the container-on-barge demonstration project will be scaled back to an “as-needed” service, the Port of Stockton said.

Launched with high hopes in June 2013 after several years of planning, the M-580 “marine highway” service was intended as an alternative route to trucking on I-580, especially for overweight loads of agricultural products headed from the Central Valley to Oakland for transport on ocean vessels to Asia.

Officials at the port, which invested more than \$8 million of its own money in the project, expressed confidence at the time that the river shuttle would make money, and that shippers and ocean carriers were keen to move containers by barge to avoid congestion and highway weight limits.

“Challenges remain as the Port of Stockton is the only operating underwriter of this regional project. During this initial period, we learned that the time it takes to build sustainable volumes was longer than anticipated,” Port Director Richard Aschieris said in a statement. To date, the service has hauled 7,259 containers on 116 voyages, which has removed an estimated 24,629 truck trips from I-580 and helped reduce diesel emissions by 80%, according to the port authority.

Stockton officials took pride in the fact that the service didn’t enjoy any subsidies and was designed as a for-profit business, but in the past few months, they tried unsuccessfully to secure grants or other funding from numerous state and federal agencies to maintain the current level of service.

“With the congestion we experience on I-580, as well as the air quality and safety

benefits of the M-580, we look forward to the day we can bring the weekly service back to benefit our communities,” Port Commission Chairman Victor Mow said.

The river shuttle was supposed to be a boon for shippers of dense cargo, such as grain, because containers can be loaded with 20% to 25% more cargo if they are not transported over the road. Filling containers to their full capacity allows shippers to reduce transportation costs. Other savings were expected from the reduced need for chassis and by avoiding gate fees in Oakland. Officials said the goal was to price the service at about the same rate as a round-trip between Stockton and Oakland by truck. When the service began, truck rates in the Stockton-Sacramento area were about \$350-\$455 for basic drayage, with a fuel surcharge of about 30%.

Two barges were utilized, one calling at the Ports America terminal and the other at Oakland International Container Terminal, operated by SSA Marine. Commodities moved by barge have included tomato paste, wine, hay and supersacks of urea fertilizer.

In November, Stockton Deputy Director Mark Tollini said the so-called California Green Trade Corridor was on track to become a twice-weekly service and that eventually, it could offer three or four calls per week.

Seattle-based SSA Marine manages the container yard and handles loading and unloading at the dedicated barge terminal, under contract with the Port of Stockton. The service is operated by Brusco Tug & Barge.

The news is a setback for the Maritime Administration and the Department of Transportation, which have made truck-to-barge conversion a policy priority. MarAd held up the M-580 as a marine highway success story. It has designated at least 21 Marine Highway routes and invested more than \$130 million to support new services.



The SUP ROS crews of the Gordon and Gilliland assembled on deck last month with Baltimore’s inner harbor in the background. From left to right is OS Graham Gault, OS Josefino Ramirez, Bosun Doug Boe, AB Jonathan Beeman, AB Neil Zapatos, and Bosun Mark Kane. Photo: Dave Connolly

Obama hits “corporate deserters”

Lashing out at what he called “corporate deserters,” President Obama on July 24, increased the pressure on Congress to approve legislation targeting companies that change their address to slash their U.S. tax bill. Obama, speaking at a technical college in Los Angeles, said corporations were taking advantage of a loophole not available to average workers, and in the process, forcing the middle class to take up more of the tab for infrastructure and job-training programs.

“I don’t care if it’s legal. It’s wrong,” Obama told the California crowd. “You don’t get to choose the tax rate you pay. These companies shouldn’t either.”

Obama pressed Congress to enact a measure making it impossible for a U.S. corporation to swallow up a smaller foreign company in order to avoid paying U.S. taxes. In the process, Obama echoed his Treasury Secretary, Jack Lew, who called for a “new sense of economic patriotism.” Obama’s comments put an even larger spotlight on the practice known as inversions, an issue that meshes well with the economic populist tone that Democrats are taking this election year. The White House is echoing the push from congressional Democrats to enact anti-inversion legislation retroactive to May, and has brushed aside Republicans who say the cross-border deals should be dealt with in tax reform.

Tax reform, Obama said, is “going to take some time,” while the recent rash of inversions illustrates that Congress needs to act to stop those deals now. “You shouldn’t get to call yourself an American company only when you want a handout from American taxpayers,” Obama said.

Congressional Democrats have been pounding the inversion issue since May, when the pharmaceutical giant Pfizer attempted to merge with AstraZeneca, a British competitor. Since then, a string of other prominent companies, including the pharmacy chain Walgreen Company, have openly discussed shifting their legal address abroad, on top of the close to 50 companies that have inverted in the last decade or so. Last month the pharmaceutical company AbbVie closed the largest inversion yet—an almost \$55 billion deal to merge with an Irish competitor.

Congressional Democrats have largely embraced a proposal from Obama’s budget, that the government would continue to consider a merged company American for tax purposes if at least half of the shareholders come from the original U.S. business. Senator Carl Levin (D-Michigan) and Congressman Sandy Levin (D-Michigan) have both introduced legislation along those lines.

Legislation calls for U.S.-flag LNG vessels

On July 30, Congressman John Garamendi (D-California), Ranking Member of the House Transportation and Infrastructure’s Coast Guard and Maritime Transportation Subcommittee, introduced H.R. 5270, the Growing American Shipping Act, to strengthen the U.S. maritime industry. The Subcommittee’s Chairman, Congressman Duncan Hunter (R-California), joined the legislation as an original cosponsor, along with Congressman Gene Green (D-Texas).

Existing law, written before the natural gas boom when America thought it would be a liquefied natural gas (LNG) importer, authorizes the Secretary of Transportation to develop and implement a program to promote the transportation of imported LNG on U.S.-flag vessels. Under the Deepwater Ports Act, the Secretary is also required to give top priority to the processing of licenses for LNG import facilities that will utilize U.S.-flag vessels.

This bill would modernize these laws, ensuring that our commitment to U.S. maritime is maintained as we consider export opportunities. It would:

- Authorize the Secretary of Transportation to develop and implement a program to promote the export of LNG on U.S.-flag vessels, and
- Require the Secretary to give priority processing of export applications for deepwater port terminals that would utilize U.S.-flag vessels.

Ranking Member Garamendi said, “In order for businesses to grow, they must identify new opportunities and seize them. The export market for LNG, a strategic national asset, is ready to take off. At the same time, our nation’s maritime industry has been declining for years. Our nation must take the bull by the horns. When it is deemed appropriate to export LNG, it should be on American-flagged vessels.”

Chairman Hunter said, “A strong U.S. maritime industry is essential to the national economy and global security. This legislation will help strengthen this industry by promoting LNG export opportunities on U.S.-flag vessels—which is most certainly in the national interest.”

The bill was referred to the House Transportation and Infrastructure Committee.

Reminder

National Maritime Center policy on postdating for MMC renewals

As a reminder to SUP members, the U.S. Coast Guard’s National Maritime Center has implemented a policy on the delayed issuance of Merchant Mariner Credentials (MMCs). Applications for MMC renewal that are submitted within eight months of the expiration date of a current MMC will result in a new MMC being issued postdated to the day following the expiration of the current MMC.

This policy applies only to applications for MMC renewal, and it does not apply if there is any other credential activity requested during the renewal process, such as the addition of endorsements to an MMC.

The National Maritime Center will not hold renewed documents until the issuance date. Applications for renewal will continue to be processed, and renewed documents printed and mailed to mariners.

Under this policy, mariners must carry both the old and new MMC while signed aboard a vessel until the older document’s expiration date.

The NMC bulletin pertaining to this policy is available online.



SUP President's Report

July 11, 2014

MARITIME SECURITY PROGRAM AND U.S. COAST GUARD

With all the problems of obtaining full funding for the Maritime Security Program (MSP) from Congress—see the May, June and July issues of the *West Coast Sailors*—the U.S. Coast Guard has recently implemented significant policy changes that adversely impact the 60-vessel MSP U.S.-flag fleet, which are substantially different than its interpretation of the MSP law since its enactment in 1996. The new policy dramatically alters the compliance requirements for both new and existing MSP vessels. Under the policy, Coast Guard requirements appearing in the Code of Federal Regulations prevail over requirements in the international conventions and classification society rules. The policy imposes new substantive requirements significantly increasing costs for the U.S. operators, including costs related to equipment and machinery, inspection intervals, increased manning, and operations. This even though the thousands of foreign-flag vessels complying with the international standards safely call on U.S. ports every day.

Not only is this policy contrary to the MSP statute the U.S. Coast Guard implemented this change by means of a “guidance” document, a Navigation Vessel Inspection Circular (NVIC), thereby circumventing the rulemaking process required in the Administrative Procedure Act (APA).

The effect of the NVIC “guidance,” which is being implemented in the same manner as regulatory requirements, is that the cost of operating a vessel in the MSP has become significantly more costly than intended by Congress. And, it places a heavier inspection/compliance burden on MSP vessels than on their foreign-flag counterparts, contrary to the intent and purpose of the MSP.

The MSP law is clear - international conventions and classification society rules must be applied to the initial and subsequent certifications of MSP vessels. This has not changed since the MSP law was enacted in 1996.

In 1996, Congress intended to facilitate the reflag, with as little red tape as possible, of eligible and essential foreign-flag vessels to the U.S. flag to support national defense. The resulting MSP law (46 U.S.C. 53101 et seq.) set forth a process for transitioning vessels that were both eligible and necessary to the U.S. flag. The MSP law provides that a vessel's participation in the MSP is acceptable if:

1. It has been operated consistent with standards set by a classification society acceptable to the Coast Guard, e.g., ABS (American Bureau of Shipping), DNV (Det Norske Veritas), etc.;
2. The vessel complies with applicable international agreements and associated guidelines, as determined by the vessel's former flag State immediately prior to reflag, and
3. That vessel's flag State had not been identified by the United States as inadequately enforcing international vessel regulations as to that vessel.

Eligibility for a MSP Certificate of Inspection (COI) continues as long as the vessel continues to satisfy the criteria that the vessel complies with applicable international agreements and associated guidelines, as determined by the vessels for flag State prior to reflag. Once eligibility has been established by the Maritime Administration and compliance with the above standards has been demonstrated, the Coast Guard is required to issue a COI.

Because the imposition of the Navigation and Vessel Inspection Circular (NVIC) is tantamount to issuing a rule without adhering to the requirements of the Administrative Procedure Act (APA), maritime labor and MSP operators, including SUP-contracted APL Marine Services, are insisting the Coast Guard must withdraw the MSP NVIC and revise it to be consistent with the application of international conventions and classification society rules. Should the Coast Guard desire to make substantive changes to its initial interpretation of the

MSP law, it must initiate a rulemaking under the APA. MSP operators have engaged with the Coast Guard and MarAd over the past months, but little progress has been made in resolving this issue.

Until such time as the Coast Guard complies with the rulemaking requirements of the APA to make changes to its interpretation of the MSP law after 16 years, it must adhere to the MSP inspection standards outlined above and any resulting rule must be consistent with the MSP statute.

This is an important issue that the SUP will monitor closely.

CALIFORNIA LABOR FEDERATION

As a Vice President of the California Labor Federation, AFL-CIO, participated in the Federation's Executive Council meeting on July 28, in San Diego, and attended the Federation's 30th Biennial Convention on July 29, and 30.

The Executive Council's primary focus was to review and make recommendations to the Convention delegates on candidates running for the U.S. House of Representatives, the State Assembly, the State Senate and propositions on the November 4 ballot.

The Federation's legislative efforts are always strong, but with critical races in the June primary and the general election, the Federation is running a lean legislative agenda focused on key areas of importance to the affiliated Unions. Federation supported bills this year are focused on protecting workers in the subcontracted economy, controlling healthcare costs for members, tracking which employers are dumping workers on public programs, and winning paid sick days to all workers. At the core of the legislative work is a focus on building the labor movement and supporting Federation-affiliated Unions in organizing and contract fights.

For last few months, the Federation's legislative team has been engaged in constant battle to push each of these bills through legislative committees against major opposition. The Federation has also worked closely with affiliates and allies to support their legislative and budget priorities. Key victories so far include the budget vote to lock in a secure funding source for high-speed rail, full restoration of the \$6 million budget to the University of California Labor Center, and new positions at the Employment Development Department to serve laid off workers.

California Unions have reported on the growing use of temporary and contract workers. Jobs that seemed safe because they could not be offshored are instead being outsourced to staffing agencies and labor contractors. The only way to confront this shift in the economy is to hold companies who use third party contractors responsible for what happens to those workers. Assembly Bill 1897, co-sponsored by the Teamsters and the United Food & Commercial Workers, provides for joint liability between a company and its labor contractor for payment of wages, a safe workplace, and workers' compensation.

The workers at Taylor Farms in Tracy have become the face of this bill, participating in nearly every legislative hearing this year. These courageous workers have been trying to join the Teamsters Union for over a year and the employer has used multiple staffing agencies and labor contractors to get away with all kinds of labor violations to try to stop workers from organizing. These workers have risked their jobs repeatedly to come to Sacramento to speak out about how all temporary workers deserve justice.

The bill has generated massive opposition from business trade groups and almost every industry lobbyist. It's clear that this practice is widespread and growing and the Federation will need the support of the entire labor movement to win this new protection.

Every Union knows how hard it is to negotiate good contracts with constantly rising healthcare costs. Since 2002, healthcare premiums in California rose by 185%. Some trust funds pay between \$10 and \$15 an hour for benefits, particularly in the building trades. That rising cost of health care is simply unsustainable. (See the July *West Coast Sailors*).

Senate Bill 1182, co-sponsored by UNITE HERE, will help change that by ensuring that multi-employer trust funds, such as the SUP Welfare Plan, have access to claims data or other data used to rate premiums for the group. This information is critical to purchasers so they can understand health care cost drivers, institute cost savings programs and have the information necessary to bargain effectively with health plans.

The bill will also expand rate review to the large group market, to give affiliates with multi-employer trust funds the same access to information about rate increases already given to those covered by small group plans or on the individual market. It will also allow affiliates to see if there is any cost-shifting from the individual and small group market to large purchasers.

The Federation is sponsoring a bill to give all workers the right to earn three paid sick days per year. While a minimal benefit, the Federation has heard repeatedly from workers what a difference this would make to them. Fast food workers organizing for better conditions have participated in every hearing, talking about the hard choices they face when a child is sick but they cannot afford to lose one day's pay. The Federation is also working with the OurWalmart campaign to lend their support to the bill as it reaches the Governor's desk. This bill is co-sponsored by the Service Employees International Union (SEIU) State Council. We look forward to being the second state in the country to pass paid sick days for all!

The Federation continues to support several bills and regulatory proposals to strengthen worker health and safety protections. Assembly Bill 2616 will create a rebuttable presumption of workplace exposure for health care workers infected with MRSA (Methicillin-Resistant *Staphylococcus Aureus*) and is up in Senate Appropriations this month. Also in Senate Appropriations is Assembly Bill 2146, which will require newer and more effective personal protective equipment for firefighters. Senate Bill 193 is a critically important measure that will improve outreach to workers when a given workplace chemical is suddenly discovered to be much more harmful than previously realized, and this measure will be heard in the Assembly Appropriations Committee this month. Also, the Federation is actively supporting several new worker protections before the Cal/OSHA Standards Board, including petitions preventing health care workplace violence, improving hotel housekeeper safety, and expanding heat illness protections. Workers recently enjoyed major victories at the Standards Board, such as a safe patient handling standard and the country's strongest “right to know” law, which is already allowing affiliates unprecedented access to information regarding toxic workplace chemicals.

The Executive Council also discussed the Federation's “All in to Win” statewide campaign in three specific areas:

1) The United Food & Commercial Workers' OUR Walmart campaign to improve wages and conditions at non-Union Walmart stores. Walmart made \$16 billion in profit last year, yet most of its workers made less than \$25,000 annually. Walmart's low-wages cost taxpayers \$6.2 billion a year in food stamps and other government programs that workers are forced to rely on to survive. Walmart workers are standing up for change. It is up to the labor movement to support them.

2) The Teamsters campaign to organize Taylor Farms, the largest producer of fresh-cut produce in the world, in Tracy, California. Taylor Farms, which is Unionized in Salinas, California, subjects its workers in Tracy to low wages, long hours and an exploitative “temporary” labor contracting scheme. Support Taylor Farms workers!

3) The United Services Workers West (SEIU) campaign to organize security guards at the Silicon Valley “campuses” of Apple and Google.

The Convention delegates also adopted a policy statement approved by the Executive Council. Of particular interest to the membership is the statement on maritime:

“California's ports are the gateways for nearly 50% of all U.S. waterborne commerce. The ports link the

continued on next page

President’s Report continued

state to the global economy and fuel economic growth. These ports and their intermodal goods movement businesses support a high-wage workforce in the highly unionized transportation trades. The Federation supports releasing funds from the Harbor Maintenance Trust Fund for port infrastructure improvements and building.

The Federation reiterates its support for federal statutes that ensure that vessels engaged in the coastwise and international trades are built and crewed by American workers. The Jones Act, the Maritime Security Program, the Passenger Vessel Services Act, and U.S. cargo preference laws are critical in maintaining a viable American Merchant Marine.

A key element of U.S. cargo preference laws is the Food for Peace Program. The purpose of this program is to promote the food security of developing countries. Food aid is grown by American farmers and transported onboard U.S.-flag vessels to countries in need. Since its inception in 1954, more than three billion people in 150 countries have benefited directly from U.S. food aid. Beginning in 2008, 75% of all Food for Peace cargoes were carried in U.S.-flag vessels, but the amount was reduced by Congress at the request of the Obama Administration to 50%. In addition, the Administration budget for fiscal year 2015 calls for \$1.4 billion in funding for Food for Peace, a \$66 million reduction. The White House also proposes diverting up to 25% of Food for Peace funding to cash payment programs to impoverished counties. This approach is not in the best interest of those who need food. As President John F. Kennedy said in 1961: “Food is strength, and food is peace, and food is freedom, and food is a helping to people around the world whose good will and friendship we want.”

Reducing funding for Food for Peace and reducing the commodities carried in U.S.-flag vessels sought by the Administration would have a devastating impact on the U.S. merchant marine and the job base of American merchant mariners.

The House of Representatives unanimously passed the Coast Guard and Maritime Transportation Act of 2014 that restores full funding for Food for Peace and restores to 75% food aid carried in U.S.-flag vessels. The Federation supports the Coast Guard and Maritime Transportation Act of 2014.

The Federation supports the U.S. Department of Transportation’s America’s Marine Highway Program. The development and expansion of America’s marine highway system is an ongoing joint government private industry effort. The resultant increase in the coastwise waterborne transportation of cargo will help to significantly alleviate congestion on our nation’s highways and rails, achieve a greater measure of energy efficiency in the transportation of domestic cargo, and create jobs for American workers in the maritime and its related service and supply industries.

One major obstacle to the development of America’s Marine Highway Program is the current application of the Harbor Maintenance Tax (HMT) on domestic waterborne cargo. Today, all cargoes arriving at a U.S. port are subject to the imposition of the HMT. Cargo arriving at a U.S. port and then transported by rail or truck to another destination in the United States is only subject to the HMT once. However, if that same cargo is transported by a U.S.-flag vessel to another domestic port, it is taxed a second time under the HMT when it reaches its next destination. This double application of the HMT on waterborne cargo creates a significant economic disincentive for shippers to move cargo by water along our coasts and impedes the development of a Marine Highway System. The Federation supports legislation that would end the double taxation on domestic waterborne cargo.

The Federation condemns the “flag-of-convenience” system in which avaricious ship owners around the world register their vessels in phony flag states to evade labor, safety, environmental, and tax laws. This corrupt system has resulted in the global exploitation of seagoing maritime labor.

The Federation supports tough security measures that protect U.S. ports and maritime workers from terrorist attacks, but opposes any measures that treat workers as suspects and infringes on their constitutionally guaranteed civil rights. The federal government should be less focused on low-risk American workers and more focused on 100% container screening on imports, foreign mariner documentation, and other security initiatives.”

The second day of the Convention focused on building political power. Delegates voted on the recommendations of the Executive Council which were overwhelmingly approved.

The recommendations will be published in the October issue of the *West Coast Sailors*.

As MFOW President Anthony Poplawski reported to his membership: “*The Convention slogans: ‘Building Power by Standing Together’ and ‘All in to Win,’ really drive home the core functions of organized labor. It is vital for Unions to build economic power, standing together to bargain for fair wages and decent benefits, and to build political power, mobilizing to elect worker-friendly candidates to federal, state, county and municipal offices.*”

LABOR DAY

All SUP halls will be closed on Monday, September 1, in observance of Labor Day, a holiday under all SUP agreements.

Labor Day activities in Seattle, Alameda, Wilmington and Honolulu will be published in the *West Coast Sailors*.

ACTION TAKEN

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

Vice President’s Report

August 2014

APL Korea: Wil Williamson, delegate. Delegate took a trip off: new delegate to be elected at sea. Clarifications on restriction to ship and delayed sailing. C/M repeatedly threatened to terminate crew for non-existent violations creating a hostile work environment. Wilmington Branch Agent, Mark Hurley put the captain on notice.

APL Belgium: Chris Halberg got off and new delegate to be elected at sea. Gunnar Lundeberg collected six hours of carpenter’s time at the low cargo rate for overhead paneling work. Section 17(m) on baggage reimbursement is a vestige specific to and applicable only to foreign-based shuttle ships that APL operated out of Singapore in the 1980’s and only on the return flight. It does not apply to any APL fly jobs today. APL will reimburse for the regular baggage fees but not overweight or oversized bags. Keep receipts and turn them in to the captain.

APL Coral: Aaron Weibe relieved by John McNeill as delegate. Boarded in New Jersey to find that overtime cutbacks created an unhappy ship. Clarifications on delayed sailing, restriction to ship. Several items raised with both the captain and management and are still pending.

Manukai: Paul Harsany, delegate. Call from the delegate in Honolulu recounting the dramatic rescue of a sailboat crew in hurricane conditions. See story on page 1. Outstanding seamanship and a remarkable credit to the U.S. merchant marine.

Manulani: Julian Torre, delegate. Call from the delegate in Honolulu indicates things “running smooth on the romance run” if working around the clock on the Asian loop is romantic.

SNLC Pax: Gabe Moreno, delegate. Collected a day’s pay for working on arrival day. Some problems persist despite some considerable effort. We will work at it until it’s fixed.

USNS Watkins: David O’Neill, Bosun. This last of the Watson-Class LMSR’s was crewed this month in a New Jersey shipyard for a 45-day activation to FOS. Ship is now designated for Reduced Operating Status (ROS) status in Hampton Roads.

USNS Watson: Cody Clark, delegate. Call from delegate with clarifications on jurisdiction, on harassment investigation procedures, on relief process, on hours of work and overtime. Base wage for idle days in Diego awaiting turnover still not paid—raised same with Company again. Ship may depart for East Coast destination and shift to ROS status due to budget cuts along with *Watkins*.

USNS Gilliland: Neil Zapatos relieved by Jordan Polon as delegate. Boarded in Baltimore and held a Union meeting with both *Gilliland* and *Gordon* crews. Discussed topics in the President’s Report such as health care costs. Clarifications on reliefs, Watson-class opportunity, and shipping rules. Ship activated to Full Operating Status (FOS) with mostly Seattle crew for sea trials without a hitch.

USNS Yano: Wilfredo Caido, delegate. Ship activated to FOS with no notice and short window for turn to. Mostly LA gang stepped up to the task.

USNS Shughart: James Bailey, delegate. Also activated to FOS at the same time as the other LMSR’s: crewed entirely by SUP Headquarters.

Dave Connolly









Labor Day Picnic

MONDAY SEPTEMBER 1ST 2014
ALAMEDA POINT, 11:30AM-4:30PM
2700 SARATOGA STREET

FREE ADMISSION, FOOD, AND FUN FOR MEMBERS AND THEIR FAMILIES! BRING BLANKETS, CHAIRS, AND OTHER PICNIC ITEMS!

DIRECTIONS:

- 1) 880 NORTH, TO BROADWAY TO WEBSTER STREET TUBE.
- 2) MAKE A RIGHT ON ATLANTIC
- 3) MAKE A RIGHT ON MAIN
- 4) MAKE A LEFT ON NAVY (GUARD SHACK)











SUP Branch Reports

Seattle

July 21, 2014

One Boatswain in a “Navy” bottom to a B-card, 5 Able Seaman jobs shipped and filled with all A-cards, one Ordinary Seaman filled with a registrant, and 14 standbys to 5 A-cards and 8 B cards and 1 C-card.

Registered the following: 13 A cards for a total of 24; 8 B cards for a total of 18; and 5 C cards for a total of 7.

Ships Checked

Matson vessels *MV Manoa* and *SS Maui* called twice in Seattle with little or no problems. The *APL Coral* and the Patriot vessels *USNS Waters* and *USNS Shugart* called for crew changes.

I represented the SUP at the following meetings: The King County Labor Council Executive Board meetings, and a “Keep Washington Moving” forum by the Brotherhood of Locomotive Engineers and Trainmen to address needed expansion of railcar access to and off Washington State’s cargo terminals.

All of our Branches have been very busy with the continued manning of the Watson Class LMSR’s. As we approach the fourth month of being “on deck” in these jobs; these billets have proved to pay well and have provided clean quarters and good food. If you have not applied for the required training to compete for these vessels, you should consider doing so now!

Vince O’Halloran, Branch Agent

Honolulu

July 21, 2014

Shipped the following jobs in the month of July: 1 Bosun return, 3 AB Day relief, and 2 AB Watch steady. The shipping jobs were filled by 2 A cards, 3 B cards, and 1 C-card. Shipped 16 standby jobs which were filled with 2 A cards, 7 B cards, and 7 C cards.

Registered in July: 4 A cards; 3 B cards; 0 C cards; and 2 D cards. To date totaled registered: 11 A cards; 7 B cards; 3 C cards and 4 D cards.

Ships Checked

I visited the *Manukai*, *Maunalei*, *Manulani*, *R.J. Pfeiffer*, *Maunawili*, *Manoa*, *Maui*, *Mokihana*, *Mahimahi*, and the Paint and Rigging gang. All are running with few or no beefs.

I represented the SUP at the Hawai’i Ports Maritime Council meeting and the 3rd annual Maritime Ohana Barbecue. The BBQ was a great success, with over 150 people in attendance. There were many politicians there who were running for office, including Hawai’i Governor Neil Abercrombie who is running for reelection. These politicians know that the maritime community in Hawai’i is a force to be reckoned with. The SUP was well represented. I hope that everyone has a great Labor Day. Mahalo,

Michael Dirksen, Branch Agent

HAWAII LABOR UNITY PICNIC

Monday, Sept 1st at Waikiki Shell
3:00 pm - 8:00 pm

FREE ADMISSION, FREE FOOD & FREE DRINKS!
Exclusive event for Labor Union Members & their ohana
Mats & chairs OK, but
NO coolers & NO alcohol!

LIVE MUSIC
Rock Steady
Simple Session
Mahi Crabbe
Jimmy Weeks Project
Pent Dean (former lead of Natural Vibes)

FUN FOR ALL AGES
Face Painting Bounce Houses Dunk Tank
Climbing Wall and more....

FOOD DRIVE & CASH PRIZES*
Please bring canned or dry good donations! A benefit for AFL-CIO Community Services.
*No purchase/donation necessary to win. Must be 18 years old to enter. Must be present to win. Entry blanks at FOOD DRIVE tent.

FREE EVENT PARKING
-Public lot in front of Waikiki Shell
-Waikiki Elementary FREE valet parking
-Lot at Paki & Monsarrat Ave.*
*Parking pass needed for this lot. Call your union.
Gratuity accepted for valet service at Waikiki Elem.

Contact:
Name-Sailors Union
Phone 808-533-2777
Addt'l info
Addt'l info
Addt'l info

San Francisco Business Agent

July 11, 2014

Visited the following:

Manoa – Mike Soper, delegate; Brendan Bohannon as Bosun: Running smoothly with no beefs.

Moku Pahu - Remoni Tufono, Bosun: Crew called back, expected to run through November.

Admiral Callaghan - Marcello Javier, delegate; Paul Fuentes, Bosun: Made ship on day of sea trials.

Oregon Voyager - William Fisher, Bosun: Went over past and present issues which are still pending.

Also dispatched and worked in the Front Office.

Roy Tufono

Dispatcher’s Report Headquarters—July 2014

Deck	
Bosun.....	1
Carpenter.....	0
MM.....	5
AB	6
OS	1
Standby	27
Total Deck Jobs Shipped	40
Total Deck B, C, D Shipped.....	23
Engine/Steward	
QMED.....	0
Pumpman.....	0
Oiler.....	0
Wiper.....	0
Steward	0
Cook	0
Messman	0
Total E&S Jobs Shipped.....	0
Total E&S B, C, D Shipped	0
Total Jobs Shipped - All Depts.	40
Total B, C, D Shipped-All Depts.	23
Total Registered “A”.....	25
Total Registered “B”.....	21
Total Registered “C”.....	10
Total Registered “D”.....	24

Wilmington

July 21, 2014

Shipping for the period: Bosun: 4, AB: 11, AB Maint: 4, OS: 2, Standby: 55 for a total of 76 jobs shipped.

Registrations: A: 24 B: 33 C: 7 D: 23

Ships Checked

Mokihana, *R.J. Pfeiffer*, *APL Philip-pines* (restricted to ship beef), *Mahimahi*, *Manukai*, *APL Singapore*, *Manulani* (Leon Gandy made), *Maunawili*, *APL Korea* (unsmooth trip), *Mokihana*, *Maunalei* (OK).

Meetings attended: On July 7, American Merchant Marine Veterans Memorial Committee meeting and on July 16, Harbor Labor Coalition meeting for the Labor Day parade.

I would like to thank Leon Gandy for running the hall while I was on my first week of vacation this year. He did a good job while Margaret and I were in Wisconsin visiting her 91-year-old dad, Joe, who is a WWII veteran.

Visited Barry Fisher at Hacienda Grande in Long Beach. He is doing well and getting his strength back. Congratulations to Bill Berger on his retirement. He was active SUP for 72 years. He set a record. That’s more than half of our (SUP’s) 129 years of existence. God bless him and all our retirees.

Mark Hurley, Branch Agent

LABOR SOLIDARITY PARADE
DESFILE LABORAL DE SOLIDARIDAD

March Broad & E Street, Wilmington
Marcha Assembly begins 8 a.m. | March departs 10 a.m.

Rally Banning Park • 12 p.m.
Mitin Speakers, Music, Shuttle Buses, Hot Dogs, Soft Drinks available.

MONDAY / LUNES
SEPT. 1, 2014
BRING THE WHOLE FAMILY!

Union banners, signs and floats are welcome.

35TH ANNUAL LABOR DAY PARADE
For more information: Labor Day Committee, 3888 Cherry Ave. Long Beach, CA. 90807 (562) 595-1891

★ ★ ★ “STOP THE WAR ON WORKERS!” ★ ★ ★

A look astern... 100 years ago

On August 5, 1914: The *Coast Seamen’s Journal* reported that as of this date the Sailors’ Union of the Pacific and the Marine Firemen, Oilers and Watertenders Union of the Pacific (as the Union was then known) and the Alaska Fishermen’s Union re-located their respective Headquarters to 59 Clay Street in San Francisco. The Sailors moved from 84 The Embarcadero and the Firemen from 91 Stuart Street. The Alaska Fishermen moved from 93 Stuart Street.