

Trans-Pacific Container Rates Rise Sharply

Despite the pandemic, the container rates for the China-U.S. West Coast continue to rise. Container capacity coming off the market and not yet returned may be part of the economics driving the increase but there is also considerable import demand. Interestingly, U.S. import demand appears to be surging not against pandemic headwinds but rather because of pandemic retail spending trends.

Retailers are forecasting that August could be the busiest month of an early and highly unusual trans-Pacific peak season following a July that saw US imports from Asia grow year on year for the first time since September 2019.

Normally, US imports remain elevated for the three-month peak season of August through October, and then taper off in November. Most of the holiday season merchandise arrives at US ports by early November in order to hit the store shelves for the Black Friday sales after Thanksgiving.

This year, however, imports began to build in July due to a combination of retailers replenishing inventories that drew down once stores began to reopen in the late spring, while consumers stepped up purchases of home-office equipment and personal protec-

tive equipment (PPE).

One industry observer said that retailers are "selling more online. And that's why they're shipping more into the U.S. People are still buying. Even unemployed people. They're getting government support so they still have money. They're no longer spending on restaurants, haircuts, gas and commuting. But they have the cash so they're just buying more things. And they're buying more things online."

The trend away from cities is supported by low interest rates and new home buying. Purchases of new or existing homes are often followed by an increase in durable goods spending. Together with more bikes, camping equipment, household cleaning items, a second-wave of PPE and exercise machines there is a variety of factors pushing for strong container demand.

Shippers are also apparently favoring voyages from Asia to the West Coast versus the East Coast. It's likely that this is based on transit times associated with e-commerce, since inventories are low, speed to market is critical. The premium paid by consumers for delivery speed could be offsetting some additional transportation costs such as trucking from Los Angeles to New York.

In the second quarter, carriers "blanked" (canceled) a large number of Asia-West Coast sailings to support rates. That strategy, which raised talk of price gouging, has now been reversed. "Most void sailings have now been reinstated," said Alphaliner in its weekly report. In addition, carriers have launched five new regular services, adding 35,000 twenty-foot equivalent units (TEUs) in weekly capacity. On top of that, carriers have deployed multiple "extra loaders" — additional one-off sailings. Copenhagen-based Sea-Intelligence estimates that carriers have increased their Asia-West Coast third-quarter capacity by 13.1% year-on-year, marking "the strongest capacity growth in a decade."

"Spot freight rates...have

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California Senator Kamala Harris Joins Joe Biden as Running Mate

Presidential candidate Joe Biden has selected Kamala Harris to be his running mate, calling on a charismatic senator, former prosecutor and onetime 2020 primary rival who has built a reputation as an unyielding antagonist of the Trump administration.

Harris, the daughter of immigrants from Jamaica and India, was the frontrunner for the pick from the outset. Her experience as a battle-tested presidential candidate, her efforts leading major law enforcement offices

and her political track record of three election wins in California helped her overcome a crowded list of contenders.

"I have the great honor to announce that I've picked Kamala Harris — a fearless fighter for the little guy, and one of the country's finest public servants — as my running mate," Biden wrote in a tweet Tuesday.

In her Vice-Presidential acceptance speech, Harris noted her protest credentials. "In the streets of Oakland and Berkeley," she

said, "I got a strollers'-eye view of people getting into what the great John Lewis called 'good trouble.'"

Biden, she wrote, "can unify the American people because he's spent his life fighting for us. And as president, he'll build an America that lives up to our ideals. I'm honored to join him as our party's nominee for Vice President, and do what it takes to make him our Commander-in-Chief."

Harris will be the first woman,
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Labor Celebrates Selection of Kamala Harris

(Aug. 12, 2020) — Following are statements from AFL-CIO President Richard Trumka, Washington State Labor Council President Larry Brown, and WSLC Secretary Treasurer April Sims on Joe Biden naming Sen. Kamala Harris (D-Calif.) as his running mate:

Richard Trumka: "Kamala Harris has spent her career tackling some of the most critical issues facing working families. As California's attorney general, she held big banks accountable in the wake of the housing crisis, prosecuted employers for stealing our wages and advanced criminal justice reform. As a U.S. senator, she has achieved a perfect AFL-CIO lifetime score, working to create a fairer process for forming a union and protecting

our health care and retirement security. We look forward to electing her America's next vice president."

Larry Brown: "Joe Biden and Kamala Harris will make an excellent team for working families in Washington state and throughout the nation. This is an exciting and historic moment at a time when our nation is desperate for leadership. As we navigate health, economic and social justice crises, we need stable employment, safety and security on the job, protected pensions, resources in our communities, investments in infrastructure, and affordable and accessible health care. We can count on Joe Biden and Kamala Harris, both proven leaders, to work on behalf of all working families to achieve

these goals."

April Sims: "Kamala Harris stands on the shoulders of the Black women leaders who came before her — organizers like Lucy Parsons, advocates like Fannie Lou Hamer, pioneers like Shirley Chisolm, and many untold women who dared to change the status quo. As a woman, and especially as a Black woman in this moment, I am proud. Kamala has a proven track record of taking on powerful corporate interests to fight for what's right for everyday working people. We have 12 weeks to make sure that she and Joe Biden win this critical election. The WSLC is excited to do our part to make sure Washington's working families celebrate a Biden-Harris victory in November!"

Study Finds Economic Benefit of Jones Act Cost Neutral to Hawaii

The Jones Act is critical to American security and prosperity, delivering over 650,000 U.S. jobs, a reliable supply chain, and protection to our nation's borders and national security interests. These benefits do not stop within the contiguous United States — and are realized even more in states like Hawaii, 2,500 miles from the U.S. Mainland and home to 13,000 jobs related to the Jones Act shipping industry.

However, a number of recent studies and articles have questioned the value of the Jones Act to Hawaii. Their claims of

negative impact are not supported by the facts and ignore the examples of the positive role of the Jones Act.

Now a new comprehensive study from economists at Boston based Reeve & Associates (Reeve) and Hawaii based TZ Economics was just released and called "The Impact of the Jones Act on Hawaii."

It concluded that the Jones Act has no significant impact on the cost of living in Hawaii. In addition, the report found that freight rates in the U.S. Mainland-Hawaii trade lane have declined in real terms over

the last ten years, while the Jones Act has delivered positive and substantial economic contributions, including job creation, new infrastructure investments, and a reliable pipeline for critical consumer and industrial goods moving to and from the Islands.

In this comprehensive report, the authors analyzed the economic impact of the Jones Act — a critical economic and national security law that ensures goods transported from U.S. point to U.S. point be transported on vessels that are American crewed, built, and owned — and

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SUP Honor Roll

Voluntary contributions from the membership to the following funds:

Dues-Paying Pensioners

Diane Ferrari.....	BK#2251
Kaj E. Kristensen.....	BK#3120
Hannu Kurppa	BK#3162
Gunnar Lundeborg.....	BK#4090
Duane Nash	BK#2437
Vince O’Halloran	BK#2463
John Perez.....	BK#3810
Alex Romo	BK#3093
James Savage.....	BK#7488
David Shands.....	BK#7483
Arthur Thanash.....	BK#3249
Mark Hurley	BK#5870
Walter Price.....	BK#3870
Grant Wegger	BK#3637
Knut Rasmussen.....	BK#3175
Donald Cushing	BK#4777
Alexander Earle.....	BK#1885

Organization/ General Fund

Frank Portanier.....	\$50
Albert Rossi	\$100

(In memory of Danny Foster)

West Coast Sailors

Jordan Polon.....	\$50
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Political Fund

Diane Ferrari.....	\$100
(In Memory Of Dave Larsen)	
Joel Tetrault	\$100
Michael Henderson	\$100
Emmanuel Rezada.....	\$100
Joseph Mantanona.....	\$50
Ray Tavai	\$25
Milton Caballero	\$10
David Partikian.....	\$50
Ernesto Lagramada	\$150
Jordan Polon.....	\$50
Sherwin Bongayan	\$50
Martin Machado	\$20
Isiah Montoya.....	\$80
Dave Connolly	\$200
Matt Henning... ..	\$50
Archie Bickford	\$100
Vincent O’Halloran	\$200
Brendan Bohannon	\$40

SUP Meetings

These are the dates for the regularly scheduled 2020 SUP meetings:		
	Hdqtrs.	Branch
September	14	21
October	Tues 13	19
November	9	16
December	14	21

Membership and Ratings Committee

Met on August 6, 2020 and found the following members eligible for advancement in seniority and rating stamps in the various departments:

Name and Membership	Number	Seatime	Rating	Seniority
Herminio Huavas, Jr.	Bk #5888	6 yrs.	A.B.	A
Timothy Conley	Bk #4829	6 yrs.	A.B.	A
Thomas Kaleiopu	Bk #3186	6 yrs.	A.B.	A
Mahon Gandy	B-19662	1 yr	O.S.	B
Ali M. Ali	B-19663	1 yr.	A.B.	B
Igor Likhterman	B-19663	1 yr.	A.B.	B
Edward Sanchez	C-2831	30 days	O.S.	C
Eugin Menchavez	C-2832	30 days	O.S.	C

Ratings: Bosun Stamp

None

Membership and Ratings Committee’s Report: Membership and Ratings Committee: Ron Reed, #3188, Dave Frizzi #2255, Elixir Ponce, #19386.



Following best practice safety procedures, the membership at SUP Headquarters elected Roy Tufono as Chairman and he called the outdoors meeting to order on August 10, 2020.

Photo: Eduardo Rojas

Heavy Strain on Supply Chain Due to Global Crew Issues

A new risk to global supply chains is emerging as exhausted seafarers stuck offshore for months halt work, a breaking point caused by restrictions on crew changes amid coronavirus precautions.

As an example, three vessels are idled in Australia after crews who worked beyond their contracts demanded to be repatriated, according to the International Transport Workers’ Federation. The organization’s national coordinator in Australia, Dean Summers, said he is discussing options for about four other ships, without elaborating.

The *Conti Stockholm*, *Ben Rinnes* and *Unison Jasper* vessels are idle at the ports of Fremantle, Geelong and Newcastle, respectively, the union said in a statement. The three ships are “just the tip of the iceberg,” Summers said in the statement, adding that crews are within their rights to refuse to sail.

“The Covid-19 pandemic has made crew changes extremely difficult, and we’re starting to see fleet inefficiencies emerge,” Braemar ACM Shipbroking Ltd.

said in a report dated Aug. 6. “A huge number of seafarers on merchant ships have been unable to disembark once their contracts have ended, facing excessive times at sea and away from home.”

According to the International Chamber of Shipping, about 250,000 seafarers are stuck at sea at increasing risk of physical and mental exhaustion. This could have an impact on safety as fatigue raises the risk of human error and accidents, said Ralph Leszczynski, head of research at shipbroker Banchero Costa & Co.

“Individual members of crews might have important personal reasons to want to be repatriated as soon as possible, but currently the costs and logistical challenges to send them home are enormous,” Leszczynski said.

“We are frustrated to learn of crew members being over contract on the *Ben Rinnes*, which is unfortunately one of many such cases at the moment,” a spokesperson for Cargill said, adding that the firm recognizes the challenges that many crew are facing and is working to repatriate.

Crew in *Ben Rinnes* have been aboard for longer than the legal maximum, including one crew member who has been on the ship for more than 17 months, ITF said. The crew signed five-month extensions on top of their nine-month tour after the vessel owner promised to repatriate them, the union said.

The SUP and other Unions successfully intervened recently on behalf of crew stranded in the APL Gulf Express. Subject to the same delays, restrictions and quarantines, crew was repatriated and new crew joined. For more see President’s Report on page 10.

First Tripper

Dishes, dishes, dishes
Morning, noon, night
Day after day, week after week
Month after month

Pearl diver of the pantry
Floor scrubber of the galley
Captain of the pots and pans
The kid they called Junior

Baby faced boy in a man’s world
Lean stringbean in blue jeans
Dumb as a day old duck
Awkward as an hour old colt

Hook line and sinker I searched
for the golden rivet
Scanned the distant horizon
for the mail buoy
Went fetching for a bucket of steam

And in the black night
Under the infinite star filled
and moon soaked sky
Wanton waves of loneliness
Washed over my youthful heart

J.K. Russell Bk #3197

Final Departures

- Holger Jorgensen, Book No. 4281.** Born in Denmark in 1928. Joined SUP in 1957. Died on July 5, 2020. (Pensioner)
- James Saddler, Book No. 7559.** Born in Louisiana in 1946. Joined SUP in 1968. Died July 2, 2020. (Pensioner)
- Florentino T. Martinez, Book #6340.** Born in California in 1925. Joined SUP in 1952. Died July 8 2020 in Long Beach California. (Pensioner)

Biden Chooses California Senator Kamala Harris As Running Mate

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the first Asian American and the first Black vice president if elected. And Biden’s barrier-breaking pick comes at a time of racial reckoning in the country, plunging one of the best-known women of color in politics into a contest against President Donald Trump, who has stoked racial divisions from the White House and on the campaign trail.

Biden prioritized choosing a running mate with whom he was “simpatico,” as he frequently said, and his months long search narrowed the list to a handful of women the campaign believed could help energize Democrats in the homestretch of the campaign. In Harris, Biden is hoping to combine both of his priorities, finding a thrilling campaigner as well as a long-term governing partner.

Harris, 55, has also built a personal rapport with Biden, and she was close with his late son Beau, a fellow former state attorney general. But Harris had to survive concerns inside the Biden campaign about whether she could be a trusted partner in the job, after a bitter primary clash and a searing debate broadside by Harris strained relationships between their allies.

Biden nodded at Harris’ relationship with his son in announcing his selection.

“Back when Kamala was Attorney General, she worked closely with Beau.

I watched as they took on the big banks, lifted up working people, and protected women and kids from abuse. I was proud then, and I’m proud now to have her as my partner in this campaign,” his second tweet said.

Biden “nailed the decision” for running mate in picking Harris, said former President Barack Obama, calling the selection of a vice presidential nominee “the first important decision a president makes.”

Like Biden, Harris received the endorsement of the AFL-CIO. “Kamala Harris has spent her career tackling some of the most critical issues facing working families,” AFL-CIO President Richard Trumka said in a statement just minutes after the announcement by Biden.

Harris has a 100% pro-worker voting record, according to the nation’s largest labor federation.

“As California’s Attorney General, she held big banks accountable in the wake of the housing crisis, prosecuted employers for stealing our wages, and advanced criminal justice reform.” When the guilty parties offered \$3 billion to make up for their crimes against workers, Harris rejected that offer, took them to court, and forced them to pay out \$18 billion.

“As a senator, she has achieved a perfect AFL-CIO lifetime score, working to create a fairer process for forming a union and protecting our health care and retirement security,” Trumka declared. “We look



SUP sailor Art Thanash with Senator and Vice-Presidential candidate Kamala Harris aboard the SS Jeremiah O’Brien at Pier 45 in San Francisco. In late 2017, Senator Harris spoke on the ship in support of the Jones Act to the delegates of the San Francisco Ports Council, Maritime Trades Department, AFL-CIO. Thanash is a delegate to the Council, a volunteer on the ship, and a dues paying SUP pensioner.

forward to electing her America’s next vice president.”

“As a former Californian, I know @SenKamalaHarris,” tweeted AFL-CIO Executive Vice President Tefere Gebre, a former union organizer and political director whose work led the drive to turn big and once deeply red Orange County, Calif., purple trending towards blue. Gebre is the highest level Black labor leader in the country. “One thing I know about her,” he said, “is she’s principled. Even under heavy fire, she doesn’t flinch from

her beliefs and principles.”

“You make a lot of important decisions as president. But the first one is who you select to be your Vice President,” Biden e-mailed supporters. “I’ve decided Kamala Harris is the best person to help me take this fight to Donald Trump and Mike Pence and then to lead this nation starting in January 2021.”

“These aren’t normal times,” Biden added. “I need someone working alongside me who is smart, tough, and ready to lead. Kamala is that person.”

Maritime Safety Experts File Key Paper with House Transportation Committee in Congress

A new paper exploring maritime accidents and how they can have prevented if regulations are followed has been entered into the Congressional Record.

The educational maritime paper, titled Spotlight on Safety: *Why Accidents Are Often Not Accidental*, discusses major Marine Accidents and Tragedies; it was originally published in July 2019 and recently published in the *Congressional Record*.

The paper looks at causal effects behind calamities that could have been prevented if promulgated Maritime Regulations were followed.

“In the shipping economy, however, commercial pressures may lead to conflicts with the regulatory regime. It is therefore no surprise that failure to comply with the regulatory regime is a factor in many maritime casualties,” the

paper reads.

The paper highlights compelling evidence on why accidents are preventable, how human life can be saved, and the environment protected by adherence to promulgated regulations. It points out then when profit is favored over safety, accidents can and do follow.

“Although technology provides ship operators with the ability to have immediate knowledge of conditions aboard ship, including the degree of compliance with regulatory standards, there is a tendency to discourage reporting so as to maintain management’s immunity from personal liability,” it reads.

Why are regulators not following the guidelines set out for them? Why are inspectors overlooking obvious irregularities? How are maritime companies

able to sidestep regulations? These are all questions the authors set out to answer.

“With modern technology, the burden of responsibility can, and must, extend to ship operators, ship owners, classification societies and flag states,” according to the authors.

Further, why are seaman fearful of speaking up, and sailing vessels outside of regulatory compliance?

“It is difficult to establish a shared safety culture between the ship and management when the future of the master and crew may depend on not sharing safety information with management,” the authors write.

All of these complex issues are examined. The authors strongly encourage those interested to review the paper.

The paper was predominantly authored

by: Captain John Loftus, retired MMP, Captain Don Marcus, President – International Organization of Masters, Mates & Pilots, Captain George Quick, Vice President, MMP, and Professor John Dalziel, Adjunct Professor, Dalhousie University, Department of Industrial Engineering

On Nov 2019, the paper was entered into the Congressional Record of the “HEARING BEFORE THE SUBCOMMITTEE ON COAST GUARD AND MARITIME TRANSPORTATION OF THE COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE HOUSE OF REPRESENTATIVES ONE HUNDRED SIXTEENTH CONGRESS” by Congressman Rick Larsen, standing in for Chair, Hon. Sean Patrick Maloney (Chairman of the subcommittee).

US Economy Posts Massive 2Q Decline

The U.S. economy contracted at a record rate last quarter and weekly unemployment claims continued to rise as the country continues to struggle with the coronavirus pandemic.

The Commerce Department reported on July 30th that the U.S. gross domestic product — the value of all goods and services produced across the economy — fell at a 32.9% annualized rate in the second quarter, or a 9.5% drop compared with the same quarter a year ago. Both figures were the steepest in records dating to 1947.

The contraction came as states imposed lockdowns across the country to contain the coronavirus pandemic and then lifted restrictions. Many economists think the

economy resumed growth in the third quarter, which began on July 1.

“The key caveat is that it will be a lot less better than we were expecting a few months ago,” Ian Shepherdson, chief economist at Pantheon Macroeconomics, said about the third quarter, citing the pickup in coronavirus cases.

Separately, the Labor Department said applications for weekly unemployment benefits rose by 12,000 to 1.43 million in the week ended July 25, and the number of people receiving unemployment benefits increased by 867,000 to 17 million in the week ended July 18, all signs that the jobs recovery is losing momentum.

A surge in new virus infections since

mid-June appears to be slowing the recovery in some states, according to some private-sector real-time data. Financial industry trackers of credit and debit-card transactions, for instance, showed that spending rose in May and early June before stalling and remaining broadly flat through last week. Data by Facteus, which tracks transactions by 15 million debit and credit card holders, also suggest restaurant spending was increasing in June and has largely flattened since.

The U.S. Census Bureau said in its latest weekly Household Pulse Survey that 51.1% of households experienced a loss of employment income in the week ended July 21, up from 48.3% four weeks ago.

The decline in GDP in the second quarter reflected the deep hit to consumer and business spending from lockdowns, social distancing and other initiatives aimed at containing the virus. Consumer spending fell at a 34.6% annual rate, amid sharp decreases in services spending like health care and lower spending on goods. Business spending on software, research and development, equipment and structures fell at a 27% annual rate. Both exports and imports plummeted.

States in May started reopening their economies — leading to partial rebounds in jobs and spending — though a number of them have put fresh restrictions in place because of the infection increase.

California Labor Federation Official Policy

The COVID-19 pandemic and global economic crisis has posed one of the greatest challenges to the Labor Movement and this country in generations. It has laid bare the worst parts of the economy — income inequality, health disparities, a strained safety net, rampant misclassification and contingent work and the growing power of the wealthy at the expense of the rest of us.

The Black Lives Matter movement and global protests against police violence, racial injustice and white supremacy have focused a searing spotlight on the systemic racism this country was built on. Racism is institutionalized in every system in our country — from housing to schools to criminal justice and more. Repairing the injustice, inequities and legacy of racism will require the Labor Movement to take an honest assessment of our workplaces, unions and institutions and root out racism. .

The triple crises of COVID, economic recession and racism have also shown the values of the Labor Movement in countless acts of solidarity and collective action for the public good. Millions of essential workers risked their lives every day in countless industries to keep critical industries running and to keep us safe, healthy and fed.

Even in a pandemic, the Labor Movement did not stop organizing or fighting for workers and that fight is just beginning. The crisis offers an opportunity to rebuild our broken economy to be more

Judge Orders Uber/Lyft to Treat Drivers As Employees

A California judge in early August granted the state’s request for a preliminary injunction blocking Uber Technologies Inc (UBER.N) and Lyft Inc (LYFT.O) from classifying their drivers as independent contractors rather than employees.

The ruling by Judge Ethan Schulman of San Francisco Superior Court is a defeat for the ride-hailing companies, as they defend against a May 5 lawsuit by state Attorney General Xavier Becerra and the cities of Los Angeles, San Diego and San Francisco.

Uber and Lyft had been accused of violating Assembly Bill 5 (“AB5”), a new state law requiring companies to classify workers as employees if they controlled how workers did their jobs, or the work was part of their normal business.

In a 34-page decision faulting the money-losing companies’ “prolonged and brazen refusal” to comply with state law, Schulman said there was an “overwhelming likelihood” they could prove Uber and Lyft classified drivers illegally.

“This is a resounding victory for thousands of Uber and Lyft drivers who are working hard — and, in this pandemic, incurring risk every day — to provide for their families,” Los Angeles City Attorney Mike Feuer said in a statement.

Schulman delayed, then enforced, but Uber and Lyft later won a temporary stay against suspended California operations to comply.

California voters are expected in November to consider a ballot measure, Proposition 22, to classify app-based drivers as contractors. The state is Uber’s and Lyft’s largest U.S. market.

fair, just and equal and to fix the holes in our safety net. A new economy and a stronger Labor Movement can rise from the ashes of this crisis.

Union by union, industry by industry, the American Dream has been dismantled by a corporate agenda premised on deregulation, corporate globalization, privatization, attacks on workers and unions, and greed.

We endorse these policy statements as our path forward for investing in California to create good jobs now and a better life for all in the future.

[Editor’s note: among dozens of other positions, the Federation took a strong stand to support the Maritime Trades and SUP policy as follows]

MARITIME TRADES

California’s ports are the gateways for nearly 50 percent of all U.S. waterborne commerce. The ports link the state to the global economy and fuel economic growth. Ports and their intermodal goods movement businesses support a high-wage workforce in the highly unionized transportation trades.

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.

The Jones Act (Merchant Marine Act of 1920) stipulates that vessels that carry cargo between U.S. ports be built in the United States, owned by U.S. citizens and crewed by U.S. citizens. Without the Jones Act the American Merchant Marine and its good-paying jobs would be destroyed and the domestic waterborne commerce of the U.S. would be controlled by foreign interests. In 2017, in the wake of Hurricane Maria, which devastated Puerto Rico, disaster opportunists said that relief for the island was hampered by the Jones Act. In fact, U.S.-flag ships delivered relief supplies, but the ruined infrastructure (roads, bridges) hampered its distribution.

During Maria and in general, the claims that Jones Act U.S.-flag ships failed to deliver and instead drive up prices in island economies like Hawaii and Puerto Rico has been debunked. Independent studies have shown instead that such costs remain flat while the non-contiguous economies benefit from state-of-the-art maritime technology and supply chain efficiencies. Moreover, in terms of good-paying American jobs that support the American middle-class — the Jones



Act is elemental. Among all states California is fourth in the nation in total Jones Act jobs that contribute

an annual \$12.2 billion to California’s economy. Related labor income generates another \$3.6 billion and there are more than 51,450 Jones Act jobs here.

The Maritime Security Program ensures that 60 vessels are engaged in the foreign commerce of the U.S. Importantly, the Passenger Vessel Services Act provides the same requirement for passenger vessels (such as ferry or crew boats that the Jones Act provides for cargo vessels.

Cargo preference requires that government-impelled cargoes be carried in U.S.-flag vessels. Yet, under the guise of keeping transportation costs low, some government agencies have for years been skirting strict cargo preference laws. The Federation calls on Congress and the White House to enforce the statutes on the books.

Another 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. In California that means the jobs of the maritime trades are connected to the success of the state’s massive agricultural trade and its workers. Since its inception in 1954, more than three billion people in 150 countries have

benefited directly from U.S. food aid. Only 50 percent of Food for Peace cargoes are carried by U.S.-vessels and monetize the program. The Federation calls on Congress to maintain Food for Peace and increase the cargo carried to 100 percent.

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.

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. Despite U.S. law and policy, these ships have reduced the amount of cargo generated in the U.S. and carried in U.S.-flag vessels to less than 2 percent. The Jones Act, the Maritime Security Program and cargo preference laws are rare bulwarks against the corrupt “race-to-the-bottom” globalized system of exploitation and oppression suffered by international maritime workers. See President’s Report for more on the California Labor Federation.

BY THE NUMBERS: Who are “Gig” Workers?



The Surprising Facts

Uber, Lyft, DoorDash and Instacart are some of the wealthiest companies in the world, valued at billions of dollars each. Yet, their drivers and shoppers struggle to make ends meet every day because these companies break the law and cheat workers out of wages and protections.

For most of the workers of these companies, their job isn't a “gig.” It's a primary source of income. And when they are cheated out of basic protections like a minimum wage or unemployment insurance that all other workers get, it leaves these workers with no economic security and shifts the burden for safety net programs to all taxpayers.

GIG WORKERS by the Numbers:	
71%	work more than 30 hours a week
2/3	say it is primary source of income
53%	say it is only job
1/3	support children with their earnings
78%	are people of color
56%	are immigrants
21%	have no health insurance
15%	are on public assistance
32%	Sometimes or often sleep in their cars

Source: UC Santa Cruz (On-demand and on-the-edge: Ride hailing and Delivery workers in San Francisco, by Chris Benner, Ph.D. Director, Institute for Social Transformation Professor of Environmental Studies and Sociology)

Jones Act Study: HI Freight Rates Declined Since 2008

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conducted a thorough market based study to consider the impact of the law to the cost of goods.

Moreover, the report analyzed the impact on consumers by evaluating the competitiveness of freight rates in the United States/Hawaii market, the quality of service provided by the Jones Act carriers, and the impact of the carriers’ freight rates, relative to the prices of goods shipped between the U.S. Mainland and Hawaii.

“There has been a lot of contention regarding whether the Jones Act negatively affects Hawaii’s cost of living,” said John Reeve, the principal in Reeve & Associates and the lead economist on the study.

“The findings of our study indicate that the Jones Act has no appreciable impact on Hawaii’s cost of living, and that Jones Act carriers provide immense benefits to consumers and business owners, while delivering reliable, high frequency and fast transit services at healthy and competitive rates.”

“Our findings based on various indicators show that higher living costs — partly the premium assigned to the desirability of living in Hawaii — reflect housing costs, not the cost of consumer

products relative to the U.S. Mainland,” said Paul Brewbaker, the principal of TZ Economics.

“The findings of this exhaustive study regarding the economic impact of Jones Act-related transportation costs in Hawaii are clear — the Jones Act does not drive up the cost of living in Hawaii. American shipping companies operating under the Jones Act provide an efficient and reliable pipeline for consumer and industrial goods moving to and from the Islands,” said Mike Roberts, president of the American Maritime Partnership. “Waiving the Jones Act would replace American Mariners and ships with foreign ships and mariners, threaten Hawaii’s supply chain, and degrade Hawaii’s and our nation’s security — yet produce no cost of living benefit to Hawaii residents.”

This report is a follow-on in a series of studies being conducted by Reeve and Associates and its partners analyzing the comparative cost of goods in non-contiguous territories of the United States and the U.S. Mainland, and the impact, if any, of the Jones Act.

In summary, the findings include:
The Jones Act does not impact the cost of living in Hawaii.

Trans-Pacific Container Rates Rise Sharply

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surged to their highest level ever despite the restoration of blank sailings and even the introduction of new capacity,” said Alphaliner.

Indeed, the Shanghai Containerized Freight Index (SCFI) rate for China-U.S. West Coast was at \$3,144 per forty-foot equivalent unit (FEU) last week and \$3,167 per FEU the week before, the only two weeks it has ever topped \$3,000.

On the China-West Coast route (SONAR: FBXD.CNAW), rates were up 137% from March 1 to \$3,071 per FEU on Tuesday.

On the much longer China-East Coast route (SONAR: FBXD.CNAE), rates were up 36% to \$3,466 per FEU.

Rates will likely go even higher, predicted Poskus. “By mid-Aug. 15, we may start seeing rates into Los Angeles at \$3,400-plus and to the East Coast at over \$4,000, which is basically the all-time record,” he said.

As demand outpaces trans-Pacific capacity, supply-chain strains are showing.

China is struggling to maintain steady flows of equipment, especially empty containers. Reliability of service follows. A shipping phenomenon known as “rolling,” in which carriers delay cargo until a future sailing, has increase. One executive said that “our cargo rolls used to be in the very low single digits. Now they’re significantly higher.”

The reliability shortfall is pushing even more shippers toward higher-cost premium services, which can offer faster transit times, guaranteed no-rolls and guaranteed equipment.

When the coronavirus first struck, premium ocean stole market share from airfreight because passenger-flight cancellations removed belly capacity and caused airfreight rates to spike. “Now, premium ocean products are growing even more,” explained a freight forwarder. “It’s not just market share from airfreight. Premium is also getting market share from regular ocean customers who are struggling to get equipment or space.”

If today’s import strength partially results from cargo being brought forward from the future, then volumes will sink in the fourth quarter. According to the National Retail Federation, “August is expected to be the busiest month of the July-October ‘peak season’ when retailers rush to bring in merchandise for the winter holidays.” Another theory is that virus fears are bringing shipments forward. Importers want to get products into warehouses and distribution centers before states lock down again in the fall.

“This year, peak season seems to have been thrown off by the coronavirus pandemic, along with just about everything else we consider normal,” Ben Hackett, founder of Hackett Associates, said in the August Global Port Tracker report.

Yet another theory is that the government handouts fueling consumer spending will end. The coronavirus-induced consumer recession wasn’t averted. It was just delayed. For now, however, it appears that consumers are buying goods to make up for a lack of spending on services and that is translating into higher rates.

When you think of our brother Jim Kenny,

And all those righteous years,
We are only human, they are bound to bring us tears.
I wish that I could tell you all that God has planned.
But I can’t tell you because I myself don’t understand ,
His body may have traveled on but his spirit is
On deck in our work and keeping one another safe,
He’s traveling with us in grace and SUP faith.
Just lend a hand like Jim Kenny

And give him his due with the others
Time comes for us, the body to be free,
We’re still together forever brothers-

In the heart and the soul of the SUP
Anonymous

- A market basket study of 200 consumer goods purchased from major retailers such as Costco, Home Depot, Target and Walmart found no significant difference in the price of consumer goods. 142 out of 200 items (71%) were precisely the same in stores in Hawaii as they were in California. In some cases, retail prices of goods were cheaper in Hawaii.
- The study found that while Hawaii does have a high cost of living, that cost is primarily driven by housing expenses and other factors, not the type of consumer goods carried to Hawaii by Jones Act carriers.

Over a ten year period, Jones Act carriers’ rates have declined in real terms for essential ocean shipping.

- The study shows that freight rates in the Mainland-Hawaii trade have declined in real terms when considering the cost of inflation, while benchmarks such as overall U.S. inflation and intercity truckload prices have increased substantially (28%). This freight rate decline is despite a 50% increase in wharfage charges for port/terminal improvements.

The large majority of the expenses of moving cargo between the U.S. Mainland and Hawaii are completely unaffected by the Jones Act. If foreign-flag carriers were allowed to operate in the domestic trades, the costs of any foreign-flag vessel would rise substantially due to required compliance with other U.S. laws, including tax and labor laws.

- The study found that only a third of the total costs of a Jones Act carrier moving freight between the Mainland and Hawaii are affected by the Jones Act (crew and vessel capital costs). If the Jones Act was to be waived for Hawaii, the costs of any foreign-flag vessel operated in that U.S. domestic trade would rise substantially as it would have to comply with U.S. tax, labor, and employee protection laws apart from the Jones Act that would virtually negate any cost advantage provided by foreign registry.

Jones Act carriers are dedicated to Hawaii’s specific needs for high frequency and fast transit to deliver consumer goods to the Hawaiian Islands. Eliminating the Jones Act could undermine priority, frequency, and speed.

- Three U.S. flagged carriers with a fleet of twenty combined vessels, specifically



designed to accommodate the needs of Hawaii transportation commerce, currently provide regular scheduled shipping services between the U.S. Mainland and Hawaii.

- Due to intense and healthy competition, freight rates have declined in real terms while carriers have increased capacity with modern, custom-designed vessels.
- Jones Act carriers have introduced five new U.S. vessels, as well as three more on the way in the fourth quarter of 2020. According to the study, with these most recent additions, there is more than ample capacity to meet the needs of Hawaii families and businesses. In fact, Jones Act carriers have increased capacity by 22% since 2015 with the addition of new vessels. The level of available capacity in the market naturally drives healthy price competition.

American shipping companies are invested in Hawaii, providing over \$2 billion in transportation technology customized for the Hawaii market, such as new ships, terminals, and equipment.

- These new vessels are highly fuel-efficient, environmentally friendly and contribute to reduced sulfur emissions. Hawaii residents also benefit from improvements to terminals, including the addition of new infrastructure such as gantry cranes.

Jones Act carriers play a critical role in support of U.S. national security, while meeting the needs of military personnel and their families who comprise nearly 10% of Hawaii’s population.

- Jones Act carriers provide a reserve force of well-trained seafarers who in times of national emergency can crew reserve sealift vessels, while ensuring the U.S. does not need to rely on foreign carriers to move people and military assets.

• Around 9.6% of Hawaii’s population is U.S. military personnel and their families. Jones Act carriers ship a high proportion of personal effects (vehicles and household goods) that are needed for those families.

The Jones Act industry supports 13,000 jobs for Hawaii families.

- The Jones Act delivers \$787 million in annual workforce income and \$3.3 billion economic impact to the local economy.

The upshot is clear. The Jones Act is critical to American security and prosperity.



In the forward bosun’s locker of the *Manukai*, crew assembled for a photo in front of the memorial of our recently departed shipmate James Kenny. On the left is AB Harold Uriarte, AB ad delegate Antonio Respicio, bosun Nick Manessiotis, AB Rudy Bautista, AB David Fadoul, and AB Ronnell Sugui.

Photo: Tom Silva, MFOW Electrician

ICTSI Rejects Judge’s Award; Portland Terminal Container Operator Opts for New Trial

The container terminal operator ICTSI in Portland, although victorious in litigation, declined to accept a judge’s reduced award of \$19 million for damages to be paid by the International Longshore and Warehouse Union (ILWU) for ILWU work stoppages and slowdowns from 2012 to 2017. A new trial on the damages amount will be held instead.

ICTSI told the judge Michael Simon that it will not accept the award of \$19,061,248. Simon, in a March 5 ruling, reduced the amount from \$93.6 million that a jury awarded to ICTSI after a two-week trial in November 2019. Simon will now arrange a call with the ILWU and ICTSI to agree upon a date for a new jury trial. The trial will be limited to determining the amount of the award.

Until recently, the eight-year saga left the port of Portland without a regularly schedule liner service since 2017.

It is uncertain when the new trial can be held. Like courts in many cities, the judicial schedule in Portland has been interrupted by the coronavirus disease 2019 (COVID-19).

The argument began over two job tasks and a small number of jobs related to a

jurisdictional dispute, essentially who does the work of plugging, unplugging, and monitoring refrigerated containers at Terminal 6 in Portland. For decades, when Portland was an operating port, those jobs had been performed by the International Brotherhood of Electrical Workers. The dispute escalated to how a private terminal operator was managing a facility that for years was operated by the port authority. If the shipping lines themselves are any indication, the decision to stay away from Portland points to the importance of consistency and reliability of operations. Carriers have shown that they can switch gateways in search of improved productivity. In the case of Portland, most container shipments were routed to and from the ports of Seattle and Tacoma.

Wyatt said Portland was losing as much as \$17 million a year when it was operating the container terminal, and that is why the port authority went out to bid in 2010 for a private-sector operator to manage Terminal 6. The ILWU said it was engaging in job actions because it accused Philippine-based ICTSI of treating the dock workers as if it was running a “third-world” operation.



Bulker Breaks Apart on Reef Off Mauritius

A Japanese bulk carrier that ran aground on a reef in Mauritius last month threatening a marine ecological disaster around the Indian Ocean island has broken apart and will require salvage.

The condition of the MV *Wakashio* was worsening early on August 15 split apart the same day.

“At around 4.30pm, a major detachment of the vessel’s forward section was observed,” authorities said in a statement. “On the basis of the experts’ advice, the towing plan is being implemented.”

The vessel struck a coral reef on July 25, spilling about 1,000 tonnes of fuel oil and endangering corals, fish, and other marine life in what some scientists have called the country’s worst ecological disaster. There was drama ashore too, where the cleanup and investigations are underway. At the same time, a broad range of accusations is emerging as pressure increases on the captain, shipowner, charterer and the government of Mauritius.

Political opponents have already begun their criticism of the government saying it failed to respond quickly enough in

the days after the grounding and that there were no capabilities to deal with the impending disaster when fuel tanks ruptured.

Adding to the controversies are reports emerging in the local newspaper L’Express regarding the potential testimony of crew members. .

Recapping the situation at the ship, the prime minister of Mauritius said in a press conference on August 13 that only 166 tons of fuel remained aboard the *Wakashio*, not in the tanks but having leaked inside the hull. He estimated that nearly 3,200 tons had been pumped off the ship leaving between 800 and 1,000 tons to have spilled into the ocean. He said that in the next phase of the effort, aided by favorable weather and sea conditions, the salvage teams would be removing other hazardous material from the ship such as from the ship batteries.

In late breaking developments, news sources reported that, Sunil Kumar Nandeshwar, the *Wakashio* captain, had been arrested and charged with endangering safe navigation.



Before departing for sea in a pandemic aboard both commercial and government ships, despite an ongoing and uncertain transmission risk, a faulty testing program, restrictions at home and overseas, and in the context of enormous economic dislocation while wildfires raged and smoked in the record-breaking heat, SUP members Paul Fuentes, Effren Vega and Steve Campbell stopped to calmly raise a new flag at SUP Headquarters in San Francisco on the morning of August 20, 2020.

Photo: Dave Frizzi

US Seizes Iranian Fuel Shipments to Venezuela

The United States has seized four Iranian fuel shipments en route to Venezuela and confiscated the cargoes, disrupting a key supply line for both Tehran and Caracas as they defied U.S. sanctions.

“With the assistance of foreign partners, this seized property is now in U.S. custody,” the Justice Department said in a statement, adding that the amount confiscated from four tankers was approximately 1.116 million barrels of fuel, making it the largest-ever U.S. seizure of Iranian fuel. It did not specify when, where or how the seizure took place.

Washington has imposed sanctions on both countries to choke oil exports and deprive them of their main source of revenue in its bid to see the ouster of Venezuelan President Nicolas Maduro and change the behavior of Iran’s government. It has also threatened to sanction any ship owners and vessels involved in oil trade with Tehran and Caracas.

Tensions between Iran and the United States increased last year following a series

of incidents involving shipping in and near the Middle East Gulf.

U.S. prosecutors filed a lawsuit in July to seize the gasoline aboard the four tankers, and a judge subsequently issued a warrant for seizure. Legal sources previously told Reuters that the cargoes could not be seized until they were in U.S. territorial waters.

The owners of the four vessels agreed to have the fuel transferred so it could be shipped to the United States, a U.S. government source said. The warrant only covered the cargoes, not the vessels.

The four tankers that initially carried the cargoes were the Liberia-flagged Bella, Bering, Pandi and Luna. They are owned and managed by companies controlled by Greece-based firms Vienna LTD and Palermo SA.

Vienna and Palermo did not reply to requests for comment.

The Justice Department said that, following the seizure, Iran’s navy forcibly boarded an unrelated ship in an apparent attempt to recover the seized petroleum.



Chevron Corp. Has Worst Loss in Decades

On July 31, 2020 Chevron Corporation reported a loss of \$8.3 billion for the second quarter of 2020, compared with earnings of \$4.3 billion in second quarter 2019. It was the Company's worst loss in decades. Included in the current quarter were impairments and other net charges of \$1.8 billion primarily associated with downward revisions to the company's commodity price outlook, severance accruals of \$780 million, and a gain of \$310 million on the sale of Azerbaijan assets. The company also fully impaired its \$2.6 billion investment in Venezuela due to uncertainty associated with the current operating environment and overall outlook. Foreign currency effects decreased earnings by \$437 million.

"The past few months have presented

unique challenges," said Michael K. Wirth, Chevron's chairman of the board and chief executive officer. "The economic impact of the response to COVID-19 significantly reduced demand for our products and lowered commodity prices. Given the uncertainties associated with economic recovery, and ample oil and gas supplies, we made a downward revision to our commodity price outlook which resulted in asset impairments and other charges." While demand and commodity prices have shown signs of recovery, they are not back to pre-pandemic levels, and financial results may continue to be depressed into the third quarter 2020.

"We reduced our capital budget in response to the current environment and are on track with our commitment to

lower operating expense," Wirth added. Second quarter organic capital expenditures were \$3.0 billion, 40 percent below the quarterly budget, and year to date organic capital expenditures are on track with the company's revised full year guidance of \$14 billion. While second quarter 2020 operating expenses of \$7.1 billion were up 13 percent from second quarter

2019, second quarter 2020 operating expenses, excluding severance accruals of \$1 billion, were down 3 percent compared to the year ago period.

Chevron Shipping operates four U.S.-flag tankers in coastwise Jones Act service and crewed in all three departments by the SUP.

Bay Area Refinery Closes

Hundreds of workers set to lose their jobs at California's fourth-largest refinery in the coming months. Marathon Petroleum announced August 1st that it plans a permanent halt to processing crude oil at its 160,000 bpd Martinez plant.

"The decommissioning of the Marathon refinery means the loss of thousands of good paying, California blue collar jobs at a time of great economic uncertainty," said Robbie Hunter, president of the State Building and Construction Trades Council of California, which represents thousands of people who work at the plant in the course of a year.

"We will indefinitely idle these facilities with no plans to restart normal operations," the company said on its website.

Marathon employs 740 staff workers at its Martinez refinery, which has gone through several owners and name changes. It was formerly known as the Tesoro, Golden Eagle, Tosco Avon and Phillips Avon refinery. Marathon bought the facility in 2018.

"There is also the 'multiplier' effect. They say for every one refinery job there are eight in the community that support that," a company representative said.

"Obviously, this impacts a lot of people, families and the community and we are concerned for them," said Kevin Slagle, a representative for the Western States Petroleum Association.

Local environmentalists who've been critical of the region's oil industry say it's time for the refinery, its dangers and pol-

lution to go away, but the change should include a plan for workers.

Some environmentalists and union advocates have used the term "just transition" to explain a fair way of getting fossil fuel industry workers and their surrounding communities, businesses and local governments to move into a green energy economy.

Marathon says its Martinez refinery will be converted to an oil storage facility. The company says it's considering turning the facility into a renewable diesel facility.

"We will see more future refinery closures as a result of continued decreasing consumption of fossil fuels under California's policies transitioning our transportation system to zero emission," said John Gioia, who sits on the the Bay Area Air Quality Management District board.

Marathon's decision to end oil processing at its Martinez plant is the latest piece of evidence showing California's oil industry suffering under a pandemic that's led to severe drops in fuel demand.

San Ramon-based Chevron, one of the world's largest oil companies, announced its worst quarter in decades on Friday.

"All the oil majors have been clobbered by COVID," said David Hackett, president of Stillwater Associates, a firm that specializes in analyzing the transportation fuels market.

Earlier this month, the California Resources Corporation, one of the state's largest oil producers, filed for bankruptcy.

COVID Testing Loaded With Flaws in California

County health officials in California say they have no idea whether their Covid-19 cases are rising or falling due to an ongoing state data glitch, making it all but impossible to determine whether they're making headway in controlling the pandemic.

Santa Clara County Public Health Officer Sara Cody, the Silicon Valley official who coordinated the nation's first regional pandemic lockdown in March, likened the projected underreporting of case counts to the early days of the crisis, when lack of testing blinded the ability of health officers to gauge the spread of the novel virus.

"Right now, we're back to feeling blind," Cody said at a press briefing Wednesday. "We don't know how the epidemic is trending. It's not just inconvenient. This lack of data doesn't allow us to know where the epidemic is heading, how fast it is growing — or not."

The breakdown appears to have occurred between California laboratories processing coronavirus tests and the state data system, the California Reportable Disease Information Exchange, also known as CalREDIE. California Health and Human Services Secretary Mark Ghaly, the state's top health official, said this week that's where data is getting stuck, but he didn't explain why that happened or when it would be resolved.

Cody indicated Wednesday the glitch may date as far back as the middle of July — right when the state began those closures in dozens of counties in an effort to turn the tide.

California is at a pivotal point in its coronavirus journey, hoping that a mask mandate and closures of gyms, bars and indoor dining may have been enough to stop a summer surge from spiraling out of control. After controlling the virus in the spring, California saw a dramatic spike in cases after it reopened various sectors, moving past New York as the state with the most cases in America — more than half a million.

The data problem was revealed just as California officials started feeling more confident about the state's coronavirus trajectory. On Monday, Gov. Gavin Newsom touted the fact that the seven-day daily average for positive test results had dropped 21 percent compared to one week earlier.

It remains unclear to what extent Newsom's seven-day average drop was due to undercounts versus an actual drop in

cases. On Wednesday, a California Department of Public Health spokesperson said the state is "diligently addressing this matter," but could offer no additional information.

Santa Clara County has offered technical assistance to the state to help fix the problem, which Cody explained appears to be happening between where the electronic lab reports some in and how they are routed. "They're not getting routed the way they need to be into the CalREDIE system," she said.

Local health departments on Wednesday reported case counts with caveats warning of incomplete or underreported data due to "delays" or "problems" with the state's electronic lab reporting system. .

Andrew Noymer, an epidemiologist at the University of California, Irvine, suspected something was off when he noticed Orange County on Monday reported more than 17,000 additional tests from a day earlier, while positivity rates — the percentage of people who test positive among all tests processed — had dropped precipitously. "This is way above normal and smells like a data glitch," he tweeted.

"They need to right this ship. Like ASAP," Noymer said in an interview. "For 24 hours, we can have a data glitch. For 48, maybe it's not a big deal. But after 72 hours, it really may be a big deal."

Not having the proper data prevents local health officers from knowing what's going on at the city and ZIP Code levels, as well as at individual institutions like nursing homes, Noymer said. "The public health boots-on-the-ground people need to know where to take action," he said.

Besides guiding local officials in how to use scarce resources to combat the virus, state data controls whether counties and various sectors can resume activity. Case counts are one factor in determining whether counties must remain on the state's watch list, a status that requires closure of everything from school campuses to gyms and churches. Thirty-eight of California's 58 counties, with more than 90 percent of the population combined, are currently subject to watch list closures.

California's positivity rate however continues to dip — to 6.4 percent, according to numbers reported Wednesday. The state is also reporting modest drops in hospitalizations of 1.9 percent and in ICU admissions of 3.4 percent. Individual counties, including Santa Clara, have also reported declines in hospitalizations.



The SUP standby crew aboard the Matson CV-700 shallow draft geared container ship *Kamokuiki* at San Francisco's Pier 80, readies the ship for sea trials. On the left is AB Gabe Moreno, Jr., AB Emmanuel Baroman, AB Dave Frizzi, bosun Mark Relojo, and AB Mike Smith. *Kamokuiki* is covered by its own MOU and has recently found work on military charters to bases in the western Pacific.



SUP Brothers on Board APL President FD Roosevelt



From L-R: Edward Hervias AB/Day, Ruben Maglinte AB/Day, Teofilo Sison AD/W, Jonathan Escala AB/W, Glenn Milla A.B./W and Roger Tupas Bosun

Welfare Notes
August 2020
Unfit For Duty

If you are Unfit for Duty, your eligibility for coverage may be extended; however, you must have your attending physician submit documentation to the SUP Welfare Plan including the date he treated you and the dates of your Unfit for Duty. Extensive information of your disabling condition is not required. Your employer will not automatically send documentation to the Plan office if you are injured on the ship or while performing work on shore. Periodic updates of your status should be submitted if your disability continues.

Unfit for Duty does not automatically add time onto the eligibility period. The extension of eligibility due to Unfit for Duty is dependent upon the Unfit For Duty dates and the Fit For Duty date.

When an eligible member becomes Fit for Duty he has 3 months starting in the month after becoming Fit for Duty to work 60 days to continue his eligibility.

Please keep in touch with the Plan office about your Unfit For Duty and if you have become Fit For Duty and are returning to work.

With your permission, the Unfit For Duty information will be shared with the SIU Pacific District Pension Plan, as covered employment may include “Under certain circumstances, up to three qualifying years of time spent absent from work due to illnesses or injuries which disable you for at least 90 continuous days. You will be credited with one day of Covered Employment for each day of continuous disability absence up to a maximum of 200 days per year (600 days maximum) provided:

- a. The illness began within 180 days of your most recent day of Covered Employment; or
- b. The injury occurred in the course of (and arose out of) Covered Employment.

Periods of disability absence between your last day of active Covered Employment and your retirement date will not be counted as days of Covered Employment under this provision.”

Michelle Chang, Administrator mcsupsiupd@sbcglobal.net

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

Gina Jew, Claims gina@marinersbenefits.org

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

Editor’s Note: To receive the West Coast Sailors via first-class mail it’s \$25 per year U.S. mail; \$50 per year international.

Receive the
West Coast Sailors
via First Class Mail

Name (print) _____ Book No. _____

Address _____

City _____

State _____ Zip _____ Country _____



U.S. \$25; International \$50 per year
Send check or money order to:
West Coast Sailors
450 Harrison Street
San Francisco CA 94105

Alameda Facing RRF Departure

Earlier this year U.S. Maritime Administration put out for bid the berthing services of its ships currently homeported in the City of Alameda, at the former Alameda Naval Air Station, now known as Alameda Point. There are presently five MARAD ships there: *Cape Orlando*, *Adm. Callaghan*, *Gem State*, *Keystone State*, and *Grand Canyon State*. As part of the nation’s 46 ship Ready Reserve Force they are maintained at a high level of readiness to support the U.S. military and positioned around the country at various ports on the West, East and Gulf coasts.

According to local news sources, particularly Peter Hegarty writing for the *East Bay Times*, the high cost of dredging the Alameda channels is a factor in the bid. City officials say the MarAd pays \$1.3 million in annual rent. Alameda has offered to help pay for the dredging, which could be as high as \$10 million. The last dredging took place in 2011.

“The Maritime Administration continues to carefully evaluate the status of berths utilized by its Ready Reserve Force vessels in Alameda and has previously expressed its concerns regarding dredging with community officials,” Kyle Bonini, a Maritime Administration spokesman, said in an email Thursday.

Congresswoman Barbara Lee, who represents Alameda, opposed any changes. “I respectfully request the immediate withdrawal of these solicitations,” she wrote in an Aug. 5 letter to the Maritime Administration Admiral Mark Buzby.

In recent years, the MARAD Administration re-deployed larger ships from Alameda because of underkeel clearance issues. With the decline in global shipping there is some considerable berth spaces still available in San Francisco and Oakland. Alameda was once the homeport of five deep draft aircraft carriers before the base closed for good in 1997.

U.S. Department of Transportation
Maritime Administration, MSCI Advisory

2020-011-Persian Gulf, Strait of Hormuz, Gulf of Oman, Arabian Sea, Red Sea, Gulf of Aden, and Indian Ocean —
Threats to Commercial Vessels by Iran and its Proxies

This revised advisory is an excerpt only and cancels U.S. Maritime Advisory 2020-001

1. References: U.S. Maritime Alerts 2020-001A and 2020-001B.

2. Issue: Multiple maritime threats have been reported in the geographic areas listed above. Heightened military activity and increased political tensions in this region continue to pose serious threats to commercial vessels. Associated with these threats is a potential for miscalculation or misidentification that could lead to aggressive actions. Vessels operating in the Persian Gulf, Strait of Hormuz, and Gulf of Oman may also encounter GPS interference, bridge-to-bridge communications spoofing, and/or other communications jamming with little to no warning. Vessels have also reported bridge-to-bridge communications from unknown entities falsely claiming to be U.S. or coalition warships.

The U.S. Department of Homeland Security's Cybersecurity and Infrastructure Security Agency (CISA) also issued Alert AA20-006A (available at <https://go.usa.gov/xphTY>) on January 6, 2020, regarding the potential for an Iranian cyber response. In part, the CISA alert notes "Iran's historic use of cyber offensive activities to retaliate against perceived harm", chronicles Iranian cyber activity, and provides recommended actions to mitigate vulnerabilities. Vessel owners and operators are reminded to report suspected maritime cybersecurity incidents as required in the USCG Policy Letter at <https://go.usa.gov/xph2e>

The U.S. government is continually assessing the maritime security situation in the region to safeguard freedom of navigation; ensure the free flow of commerce; and protect U.S. vessels, personnel, and interests.

3. Guidance: The international community, including the United States, continues maritime security operations within this region. Vessels operating in this area are advised to review security measures, ensure AIS is transmitting at all times (except in extraordinary circumstances, consistent with provisions of the Convention on Safety of Life at Sea), and monitor VHF Channel 16. To afford best protection in the region, U.S. flagged commercial vessels are also advised to:

- For the Red Sea, Arabian Sea, the Gulf of Oman, and the Persian Gulf: Simultaneously register with both the United Kingdom Maritime Trade Office (UKMTO) and the U.S. Naval Forces Central Command Naval Cooperation and Guidance for Shipping (NAVCENT NCAGS) watch 24 hours prior to entering the Indian Ocean Voluntary Reporting Area by sending UKMTO and NCAGS, via a single e-mail, the Initial Report from Annex D of Best Management Practices to Deter Piracy and Enhance Maritime Safety in the Red Sea, Gulf of Aden, Indian Ocean and the Arabian Sea (BMP5). Include the estimated times of arrival at the Suez Canal, Bab el Mandeb Strait (BAM), and Strait of Hormuz (SoH) in line 10 of the report, - exercise caution, coordinate vessel voyage planning for transits in the region with - In the event of any incident or suspicious activity, call UKMTO or the U.S. Fifth Fleet Battle Watch and activate the Ship Security Alert System immediately.
- Answer all VHF calls from coalition navies - All vessels should be aware that U.S. and other coalition naval forces may conduct maritime awareness calls, queries, and approaches to ensure the safety of vessels transiting the Persian Gulf, Strait of Hormuz, Gulf of Oman, and Arabian Sea. If a U.S. flag commercial vessel suspects it is being hailed from a source falsely claiming to be a U.S. or coalition naval vessel, the U.S. Fifth Fleet Battle Watch should be immediately informed.
- If hailed by Iranian forces, U.S. flag commercial vessels should provide vessel name, flag state, and affirm that they are proceeding in accordance with international law as reflected in the Law of the Sea Convention. The master should immediately inform the U.S. Fifth Fleet Battle Watch.
- If Iranian forces seek to board a U.S. flag commercial vessel navigating these waters, the ship's Master should, if the safety of the ship and crew would not be compromised, decline permission to board, noting that the vessel is proceeding in accordance with international law, as reflected in the Law of the Sea Convention, and immediately inform the U.S. Fifth Fleet Battle Watch.
- If Iranian forces board a U.S. flagged commercial vessel, the vessel should immediately contact the U.S. Fifth Fleet Battle Watch. The crew should not forcibly resist the boarding party. Refraining from forcible resistance does not imply consent or agreement to that boarding.

4. Contact Information: Fifth Fleet Battle Watch: + 973-1785-3879, and email details to: cusnc.bwc@me.navy.mil. b) NAVCENT NCAGS: cusnc.ncags_bw@me.navy.mil or +973-1785-2983 or +973-1785-0084. c) UKMTO: watchkeepers@ukmto.org or +44 (0) 2392 222060. UKMTO advisories and warnings are available at <http://www.ukmto.org/>. d) U.S. Coast Guard: Per 33 CFR 101.305, all suspicious activities, breaches of security, and transportation security incident events must also be reported to the U.S. Coast Guard National Response Center at +1-800-424-8802.

5. Cancellation of Prior Advisories: This message supersedes and cancels U.S. Maritime Advisory 2020-001. This advisory will automatically expire on January 7, 2021.

Status: Active



SUP PRESIDENT’S REPORT

GOVERNMENT MEETINGS

On July 28, along with other representatives of maritime labor I again met with Coast Guard officers and staff about the agency’s ongoing credentialing policy during the pandemic. As the membership is aware, the Coast Guard has taken temporary measures to extend expirations for MMC’s, national and STCW endorsements including the STCW medical certificates. Previously, credentials expiring between March 1, 2020 and September 30, 2020 had been extended until December 31, 2020. As of the date of this report however there is the expectation but not the confirmation credential expirations may be extended again until June 1, 2020. In addition, revalidation requirements for certain endorsements, such as Basic Training, and Advanced Firefighting, may be waived until renewal. Members are cautioned however that official notice is still pending and whatever the specifics extensions may turn out to be, there is likely to be a backlog and slow processing as with extensions in the past. Member should renew anyway, at least six months in advance of expirations, to avoid renewal problems.

Presently the extension on TWIC cards will likely end on October 5, 2020. Another extension is not likely because some Enrollment Centers are opening. The USCG agreed to our request that TSA should prioritize seafarers on TWIC renewals.

The Coast Guard is also grappling with the extension of approvals for training institutions, especially since there are varying regulations on in-person instruction classes depending on the local jurisdictions. The SUP and the Andrew Furuseth School of Seamanship is working with the Coast Guard and our training providers such that the membership can continue to upgrade and re-qualify as necessary despite the new obstacles of the pandemic. Online instruction and distance learning may become part of the answer in the future.

In separate calls with Coast Guard and the Maritime Administration, the SUP joined with MMP and others to call for an end to the Random Drug Testing programs in ships where the intrusion of an untested and unscreened contractor may potentially compromise the coronavirus-free integrity of the house. Both agencies promised to investigate the matter. Maritime labor has remained united on a range of other risk mitigation efforts such as improved access to testing and results turnaround, concentration on relief process, respect for shore leave whenever appropriate, restriction of access of all untested vendors and contractors, among many other things.

The Coast Guard has enforcement authority over COVID restriction of ships, but Coast Guard has repeatedly said it relies on the recommendations of the Center for Disease Control (CDC). Accordingly, it was appropriate that on one government sponsored meeting call was Stephanie White, a maritime public health expert at CDC. She noted the publication of new information from the CDC entitled “Interim Guidance for Ships on Managing Suspected or Confirmed Cases of COVID-19” had just been issued. [That comprehensive guidance is available to members on the COVID-19 page of the SUP website.] The guidance focuses on the identification, reporting, and cleaning procedures of offshore ship operations.

Ms. White noted that the complexity of the shipboard issues is, like the rest of the epidemiology, partly driven by the asymptomatic transmission risk, but there are many other unpredictable factors. Those factors include false positives on screening factors including temperatures, as well as in the best polymer chain reaction (PCR) testing itself. False negatives happen too, which are particularly risky, and she noted that there are cases of persistent true PCR positives, where a positive case does not shed virus and thus represents no risk. Importantly, she said that minimizing shore leave is, in the professional view of CDC, a net reducer of risk, calling restrictions simply another preventative measure. Of course, other more familiar preventative measures such as hand and respiratory hygiene remain critical, along with cough etiquette, hand sanitizers, and the education of symptoms and safe behavior via posters and other materials. She advised crews to avoid sharing all personal items such as laptops, video game controllers, and phones, to use face masks, maintain six feet distance as much as possible, and vary scheduled access to common areas such as meal areas to the extent possible. She advised limited exposure to new crew members and noted that the technical definition of close contact is less than six feet for at least fifteen minutes.

In the case of confirmed positive COVID exposure, CDC recommends that exposed crew be identified, ship itinerary evaluated, seaport location taken into account along with the local public health restrictions in that port, as well as hospital, launch service and hotel logistics. She confirmed that present guidance said that asymptomatic crew could remain on board while the itineraries of available alternate crews are critical. When a ship has a confirmed COVID case on board CDC has identified three main options: 1) full crew change out, disinfect the ship, and entirely new crew joins, or 2) ship goes into a working quarantine as critical infrastructure continuing if no symptoms but with mandatory restrictions maintained and extra precautions and contingencies taken including isolation, or 3) temporary but full quarantine with ceased operations and ship on hold at anchor; essential crew with social distancing until relieved or cleared quarantine then with proper PPE disinfect and sanitization until cleared to sail by Coast Guard. Again, she noted only the Coast Guard’s authority over ships in such situations.

On various calls industry speakers continued to note that the economic downturn was worse than feared. Despite the upward rise of the stock market, the second quarter Gross Domestic Product was measure as down 9.5%, worse in actual amounts than the Great Depression. On an annualized basis, the GDP was well over 30%, the worst since 1875 when President Grant was in office. One observer said 2Q 2020 was the worst quarter in perhaps 580 quarters. For perspective, a single lifetime is roughly 320 quarters. Unemployment claims were at about 17 million and there was 2 trillion dollars in value lost from the economy. The outlook was gloomy in view of the likelihood of no school and no work; it will be tough sledding ahead. Global seaborne trade overall is down precipitously. For example, in the commercial Ro/Ro market,

where there were no almost no exports because there is no vehicle production, charter rates have fallen to less than \$10,000 per day which about 50% less than in the global financial crisis in 2008, without accounting for inflation in which case it would be worse. But of all the challenges, industry players noted labor as the most important as it was experiencing crew shortages, quarantines, repatriation, credentialing, restriction, and generous unemployment benefits as near- and long-term problems. The disease is social and therefore also a labor issue.

CALIFORNIA LABOR FEDERATION

On August 3 through 5th along with SUP VP Matt Henning I attended the first ever virtual Convention of the California Labor Federation. As the senior Vice-President of the Federation, a remarkable moment of the Convention came with the decision of Gunnar Lundeberg not to run for re-election. Secretary-Treasurer Art Pulaski and many delegates acclaimed Gunnar for his long service as a skillful and dedicated Vice-President of the Federation and representative of the working people of California. Noting that his term began during the leadership of the legendary Federation Secretary-Treasurer Jack Henning, Pulaski thanked Gunnar on behalf of all of us. We might pay forward our debt of gratitude by advancing with the same resolve and tenacity the rights of workers as he did for more than three decades. After the nominations and election to Executive Committee, Gunnar fittingly administered the oath of office to the new Vice-Presidents, myself among them.



Aboard the Aloha-class Daniel K. Inouye in Honolulu Harbor is former Wilmington Agent Keith Miller, former President of the SUP and Vice-President of the California Labor Federation Gunnar Lundeberg, and active member bosun Paul Fuentes.

Federation delegates also took action on dozens of endorsements recommendations that came from the affiliates and labor councils throughout the state. In particular, organized labor unified around positions on a broad array of maritime trade policy, including newly revised strong language for the Jones Act, the Maritime Security Program, cargo preference. See page four for more on the topic.

SAN FRANCISCO BAR PILOTS

COVID risk mitigation: Since the outset of the pandemic, even before it was widespread in the United States, the Union worked with SFBP management to reduce risks. It first took the form of PPE and cleaning supply acquisition and distribution. As with other employers the response then developed into the establishment safety procedures and testing availability in a comprehensive effort to protect members working in pilot boats. Members stayed focused on safe operations and that was helped along by the consistently high priority given to it by SFBP management. The crews get what they need, and inherent risks of the essential work have been mitigated by such action.

Run Boat Schedule Change: In coordination with all members employed at the SFBP, Vice-President Matt Henning and I worked with dock bosun Leo Moore and delegate Mike Koller to explore the effectiveness of a run boat schedule change. Primarily focused fatigue management, the form and implementation method of a schedule change followed committee meetings to evaluate options and build consensus. These meetings began and continued in service to the goals that a change would be an improvement to the working conditions of all involved (especially with regard to fatigue), that there be no net negative affect on compensation or benefits, that it be cost neutral to the employer, and that it be temporary and subject to a trial period that would allow either side to return to the previous condition.

Ultimately, after further discussion with the employer and the crew that consensus was reached and the Union composed a side letter of terms and conditions to amend the run boat schedule as follows. Beginning at 0000 on Thursday August 6, the temporary seven days on and seven days off schedule will be tested for a trial period of at least three months. Watches remain at twelve hours rotating from nights to days once a month. SUP dock bosun Leo Moore and delegate Mike Koller both reported that the initial implementation went smoothly.

MATSON NAVIGATION COMPANY

RTS grievance: As previously reported and update on the status of our restriction-to-ship grievance filed with Matson, the membership will recall that our re-

SUP President’s Report continued

searched and compiled claim was filed with the Company for adjustment. Matson rejected our efforts to settle at the outset, and again at the Joint Labor Relations Committee meeting on June 18. Both sides of the dispute were presented and argued, and the membership was informed of the status in this report (see President’s Report for July in the *West Coast Sailors*) and the SUP website slightly before that. Included in the meeting materials were the minutes of the Joint Labor Relations Committee meeting. The recorded agreement then was only to continue to communicate and further evaluate options before proceeding to the next step. That is still the case and will continue to keep the membership informed on the matter.

APL MARINE SERVICES

Notice of Intent to Bargain

On July 7, the Seafarers International Union of North America, Pacific District, (SIUPD) comprised of the Sailors’ Union of the Pacific, the Marine Firemen’s Union, and the Seafarers International Union AGLIWD, notified American President Lines, APL Maritime Ltd. and APL Marine Services (APL) of its desire to negotiate a new Offshore Agreement (and other agreements) to succeed the existing Agreement that expires on September 30, 2020. The Unions also notified the Federal Mediation and Conciliation Service in Washington DC, Oakland, Los Angeles, Seattle, and Honolulu. The SIUPD also notified the California Mediation and Conciliation Service in Sacramento, the Washington Public Employment Relations Commission in Seattle, and the Hawaii Labor Relations Board in Honolulu. APL has not yet responded as of today’s meeting. Nominations for the APL Negotiating Committee will come open at the next meeting cycle as per the SUP Constitution.

COVID 19 Testing, Form Revision

Responding to member concerns on the wide-ranging medical release language on the Future Care COVID form, the Union raised objections with management. Management eventually agreed with our objections and noting it inconsistent with the goal of continuous testing. It was removed and replaced with release language specific only to each individual test.

COVID testing for all companies has become both more prevalent and more difficult, mainly due to clinics and labs either running out of test kits or being overwhelmed with test samples. Despite the problems around accuracy and logistics, and there are many (especially now regional availability), timely testing is a key to our Union capacity and readiness. Urge all hands to work closely with SUP agents and dispatcher on clinic assignments to get the job done.

Restriction to Ship: Temporary Grievance Settlement

Since the outset of the pandemic the Union worked through dozens of conflicts in various situations to preserve shore leave as best as possible despite enormous problems both obvious and subtle. (The conflict is chronicled in the President’s Reports of March, April, May, June and July of 2020 and available in the West Coast Sailors and online at www.sailors.org.) Without recounting that entire effort here and noting that our grievance with Matson on the topic is still under review and pending, shore leave and safety at APL were until recently not incompatible. On the contrary, SUP crews showed that we could do both successfully. Because of that performance, and just as it had done initially at Matson, the Union favorably influenced APL policy to ensure safe shoreside access. We helped forestall full-blown restrictions, for example, when APL management issued its so-called “letter of expectation” policy that required face masks and a partial isolation after shore leave.

We achieved that despite some contract holders waiving restriction-to-ship language without compensation, and against a growing Company effort to restrict despite the policy promises to the contrary. Then, after the COVID-19 death of a U.S. merchant mariner in the *Maersk Idaho*, and several ship sequestrations on the East Coast, a leading U.S.-flag international operator entered into a new July agreement with its labor unions on a restriction settlement. Here on the West Coast the first positive tests in SUP ships came along with symptom scares in several others, and as California became a frontrunner hotspot amid a resurgence of the virus, APL management made it increasingly clear that the Company would begin restriction on its own terms over our objections. With no end in sight to the pandemic, with unilateral action without any compensation or rules pending, and to mitigate risk for the entire membership, we joined with the Company’s other unions in a dialogue to establish a uniform temporary industry standard, as follows.

The initial agreement will be for one month, retroactive to August 1, 2020 through August 31, 2020. Intended to increase safety aboard ship, establish a clear policy about restriction in port, the agreement will also settle potential restriction-to-ship claims that may arise during the month of August. The main points are as follows:

- For any period in excess of four hours, a flat rate of \$100 per day shall be paid once a day for restriction-to-ship in a U.S. or foreign ports where federal or local authorities permit shore leave but the company does not. In foreign ports, existing Agreement conditions and remedies on restrictions shall apply, i.e., there is no restriction-to-ship payment of any kind if the company denies shore leave

in a port where bona fide national or local COVID-19 health care warnings are in place and documentation is provided by the Company.

- Exceptions to the restriction policy may be made for medical or family emergency. These will be made on a case by case basis in consultation with the captain and the Company.
- Refusals to comply with this policy will be deemed as a “quit.” Members choosing to quit should do so with proper notification, as per the contract. Quits will not get paid transportation and if not properly relieved or released from duty the Company may take disciplinary action.
- To aid the restriction conditions all ships’ internet bandwidth will be increased to accommodate for twenty-four-hour internet access of off watch crew to allow for video links to family and friends at home. Streaming and other large data transfers may be subject to reasonable rules to avoid abuse.
- As further accommodation there will be weekly access to the slop chest at no charge limited to an allowance equal to \$40.00 per week (excluding alcohol and tobacco).

This proposal for a temporary agreement governing restriction-to-ship for APL ships in West Coast ports is made in full consideration of the alternatives and in the context of the many moving parts of the pandemic. It establishes a helpfully clear and uniform policy, but it is also a burden taken up in the first interest to maintain and improve the health and safety of crew in what is now officially a life and death matter in merchant ships. Far more burdensome and inconvenient will be the indefinite ship sequestration that will come during an outbreak, to say nothing of a unilateral imposition of restriction without compensation. Therefore, Mr. Chairman, recommend membership ratification.

APL Gulf Express

The SUP crew long embarked in the *APL Gulf Express* were finally relieved and repatriated to the United States in mid-July. Behind the scenes, the Union participated with the Company and the federal government in a sophisticated and multi-agency coordinated relief effort that required international diplomacy and logistical expertise. There were Department of State cables, letters of *de marche*, special embassy travel authorizations, military coordination, quarantines in Bahrain, not to mention the normal dispatching acrobatics required of SUP dispatchers. But having endured 6 to 8 months of restriction and travel delays, on the short shuttle runs in the challenging environment of the Middle East, it is the *APL Gulf Express* sailors themselves that deserve the credit. APL management sent letters of recognition noting that they had “performed professionally under very difficult circumstances.” At a time when international mariners are being routinely abandoned by sketchy shipowners and indifferent profiteering flag states, that relief work was a unique and patriotic triumph. The situation is set to improve since the MarAd recently announced new diplomatic action in Dubai to clear access for U.S. mariners who have taken specific advance precautions such as testing and isolation before travel. Welcome home to the SUP crew AB Cory Edgil, AB James Salera, AB James Linderman, AB Graham Sharpe, and AB and SUP delegate Cody Clark.

HOLIDAYS

Labor Day: SUP hiring halls will be closed on Monday, September 7, 2020 in observance of Labor Day which is a holiday under all SUP contracts. Most official Labor Day celebrations are canceled this year due to the coronavirus pandemic.

Action taken

- M/S to ratify the APL RTS settlement agreement (Clark, several). Carried.
- M/S to concur in the balance of the President’s Report. (Frizzi, several). Carried.



The iconic "Fight 'Em Sailor" image of Harry Lundeborg on Pier 41 during the "Thou Shall Not Pass" moment of the Shepard Line Beef in 1938. It was a pivotal moment in SUP, West Coast, and U.S. labor history marking the end of the Maritime Federation of the Pacific, the strongest labor coalition that ever existed, formed in the Big Strike of 1934.

The U.S.-flag Maritime Security Program container ship *Maersk Idaho* in the Houston Ship Channel in July. The ship was the first known U.S.-flag container ship with COVID-19 cases, one of which was an SIU member and brother who



tragically succumbed to the illness. The SUP sent its condolences to the SIU and joined again with the rest of maritime labor for a single set of reasonable government enforced standards around testing, access, and prevention to protect mariners in the workplace.

SAILORS’ UNION OF THE PACIFIC
QUARTERLY FINANCE COMMITTEE’S REPORT
FOR THE QUARTER ENDED JUNE 30,2020

The Quarterly Finance Committee, duly authorized to act by the regular meeting at Headquarters on July 13, 2020 hereby submits the following report

SUMMARY OF CASH AND INVESTMENTS

GENERAL FUND	\$ 2,596,451.61
POLITICAL FUND	24,697.34
STRIKE FUND	1,293,730.99
TOTAL CASH & INVESTMENTS 2ND QUARTER 2020	<u><u>\$ 3,914,879.94</u></u>

GENERAL FUND

INCOME	
Dues, Initiation, Assessments	\$ 103,620.00
Interest	32,393.00
Donations - West Coast Sailors	650.00
Joint Committee & Hiring Hall	158,915.47
Advertising & Promotion	65.00
Miscellaneous Income	49.00
Reimbursed Administrative Expenses	27,492.24
Contributions	105.00
TOTAL INCOME	<u><u>\$ 323,320.31</u></u>

EXPENSE	
Auto & Travel	\$ 638.00
Rent	23,063.98
Postage, Printing & Office	5,126.26
Telephone	4,971.03
West Coast Sailors Publishing Expense	14,643.41
Per Capita Taxes	13,880.50
Salaries & Payroll Taxes	191,587.12
Office Workers Pension	7,248.80
Insurance	47,621.49
Field Expense	400.15
Meeting/Committee & Neg. Conference & Conv.	—
Investment Expense	2,307.65
Officials Pension	8,610.00
Subscription	661.12
Accounting	5,595.00
Legal	825.00
Advertising & Promotion	360.00
Bank Charges	121.17
TOTAL EXPENSE	<u><u>\$ 327,663.37</u></u>

BUILDING CORPORATION

INCOME	
Rents	\$ 154,446.23
TOTAL INCOME	<u><u>\$ 154,446.23</u></u>

EXPENSE	
Building Service & Utilities	\$ 35,686.44
General Tax Expense	20,781.44
Repairs & Maintenance	968.00
Insurance	2,369.67
Salaries & Payroll Taxes	18,872.25
Pension	1,455.00
Legal	2,222.00
Accounting	3,600.00
Office	927.00
TOTAL EXPENSE	<u><u>\$ 86,881.47</u></u>

POLITICAL FUND

INCOME	
Contributions	\$ 3,621.00
TOTAL INCOME	<u><u>\$ 3,621.00</u></u>

EXPENSE	
Contributions	\$ 1,000.00
TOTAL EXPENSE	<u><u>\$ 1,000.00</u></u>

NET INCOME(LOSS) 2ND QUARTER	<u><u>\$ 65,842.70</u></u>
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Quarterly Finance Committee: Noel Itsumaru #886, Dave Frizzi #2255, Dennis Sumague #7530, Stephen Campbell #4817, and Eduardo Rojas B-19519.



Dispatcher’s
Report

Headquarters — JULY 2020

Deck	
Bosun.....	2
Carpenter	0
MM	3
AB	14
OS.....	5
Standby S.F.	17
Standby N.Y.	0
Total Deck Jobs Shipped	39
Total Deck B, C & D Shipped.....	29
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.....	32
Total B, C, & D Shipped-All Deptts ..	30
Total Registered “A”	26
Total Registered “B”	34
Total Registered “C”	2
Total Registered “D”	11
Dispatcher’s Report — M/S (Bacay- several) to accept and publish in West Coast Sailors.	

“No man will be a sailor who has con-
trivance enough to get himself into a jail;
for being in a ship is being in a jail, with
the chance of being drowned.”

Dr. Samuel Johnson
Journal of a Tour to the Hebrides,
(3rd edn, 1773) 126.

SUP BRANCH REPORTS

HONOLULU

August 2020

Shipping: Shipped the following jobs in the month of July: 1 Bosn steady, 2 Bosn relief, 0 Bosn return, 1 AB Day steady, 1 AB Day relief, 0 AB Day return, 2 AB Watch steady, 1 AB Watch relief, 0 AB Watch return, 1 AB Maint, and 0 OS Watch steady. The shipping jobs were filled by 3A cards, 6 B cards, 0 C cards, and 0 D cards.

Standby jobs: Shipped 18 standby jobs. The standby jobs were filled by 0 A cards, 9 B cards, 5 C cards, and 4 D cards.

Registered in Honolulu: 12 A cards. 18 B cards, 10 C cards, 5 D cards

Ships checked by phone and email:

Manukai, DK Inouye, Manoa, Kaimana Hila, Manulani, Mahimahi, Maunawili, Lurline, RJ Pfeiffer, and the Paint and Rigging gang. All are running with few or minor beefs.

Except for the restricted to the ship beefs which we have on all ships and the investigations are ongoing.

- APL Guam* — no major beefs;
- APL Saipan* — no major beefs
- USNS Charlton* — no major beefs
- USNS Watson* — no major beefs

AGENTS REPORT:

There have been many changes in the state of Hawaii because of the Covid-19 pandemic. The state of Hawaii has reinstituted the closing of all bars, beaches, etc. until at least the middle of September. Also the 14 day mandatory quarantine is still in place for all arriving passengers, including interisland travel. It looks like it will keep going until well after September 1st, with all of the positive cases we have been getting for the last 4 weeks. If you do fly to Hawaii you will need an essential worker letter stating that you are an essential worker before you fly to Hawaii. This letter allows members to make the job calls without being fined or sent home. I can email this letter to members who ask for one. You will also need proof of residence for the 14 day quarantine to show on arrival at the airport. The Sailors Home rooms above the hall are closed until cleared quarantine. Remember to check your documents and anything with less than six months (make that anything less than 9 months with the USCG Regional offices closed).

Mike Dirksen.

WILMINGTON

August 2020

Shipping: Bosun: 1, AB/W: 12, AB/D: 5 OS/STOS: 6, GVA/GUDE: 0. Standby: 49 Total Jobs Shipped: 73

Registrations: A: 27, B: 39, C: 2, D: 3

Ships Visited:

Checking with ships by phone email and in person due to Covid-19 safety precautions.

AGENTS REPORT:

All ships sailing in and out running smooth occasional clarifications.

Shore side Bosun Gary Gelfgren and his standby gang doing a great job. When your dispatch is complete, clean your room before leaving the ship. Keep your dues current and be sure to check your documents, dues and document must be current to ship. When you get new documents let me know so I can update your records. The Wilmington Branch has a large number of standbys and crewing jobs working on Mondays. This is your Union participate, come to meetings, read the West Coast Sailors and stay informed, your vote is your voice, we cannot vote if we don't have a Quorum. All members must adhere to Covid-19 safety precautions.

Leighton Gandy

SEATTLE

August 2020

Shipping: 1 Navy Boatswain filled a C card; 3 Patriot AB's shipped, filled with 1 A and 2 B members; 1 AB/D return and 2 steady Dayman billets taken by 2 A and 1 D; 1 steady AB/W went to a B seniority; Matson called for 1 Standby Boatswain and 15 Standby AB's and were filled with 2 A, 3 B, 1 C, 9 D card and 1 MFOW member.

Registered: 10A cards for a total of 11; 9 B cards for a total of 20; 2 C card for a total of 3; 5 D cards for a total of 9.

AGENTS REPORT:

Maunawili — *Maunawili* reports the Boatswain was injured just prior to departure from Honolulu and sailed short to Seattle. The Boatswain was stitched up, declared FFD, and flew out the next day to Seattle for a COVID test and self-quarantine before rejoining.

Seattle has had many job orders with few Members to fill them. The lack of an industry wide consolidated COVID testing procedure has made for frustrating dispatches for some Members. Matson is working on fixing the bugs in their testing registration system, and Patriots vendor Anderson Kelly is as inept as ever. If you are dispatched to a Patriot job, make sure to follow up with AK immediately and preserve any email communication you have had with them.

If you are renewing with the Coast Guard and do not have reliable computer capabilities, please bring in your applications and CG-719K physicals to the Hall. I can scan and submit them for you. Remember, all applications must be submitted to the Coast Guard in PDF.

Brendan Bohannon

VICE PRESIDENT'S REPORT

August 2020

Ships checked

APL President Truman — Continuing to work through covid testing issues in the bay area, having more success in Long Beach area. Isagani Cruz, bosun.

APL Gulf Express — Mervin Guevarra, delegate. Continuing tough run in the summer heat. Little or no beefs. Rolando Mendoza, bosun.

Mahimahi — Robert Reed, delegate. No major issues besides ongoing restriction in Honolulu. Mike Worth, bosun.

Kamokuiki — Brad Cain, delegate. Successful sea trial activation after a long yard period. Fernando Rigonan, bosun.

USNS Sisler — Jonnell Hodges, delegate. On the hook in Diego Garcia. Several crew members being relieved in September. Jon Clark, bosun.

USNS Dahl — Randy Cruz, delegate. Five new crew members started in August, overcame many hurdles in the dispatching process. Saul Townsend, bosun.

USNS Watson — Keith Gomer, delegate. No major beefs. Jefferery Titco, bosun.

SNLS PAX — George Babbin, delegate. Long voyages with reduced crew making for tough work. Members have been doing a great job by all accounts.

Cape V's and T's — All five ships in Beaumont, Texas. Possible activations late August, early September. We will need members to step up and fill billets if called upon.

Cape Horn — ROS status in San Francisco. Two new members dispatched in the past month. Robert Leeper, bosun.

Cape Henry — ROS status in San Francisco. Crew recently took their small arms certification course, ready for possible activation. Noel Itsumaru, bosun.

Cape Hudson — Andrew Montoya, delegate. Ship underway on Pacific Defender mission, has called several US ports and heading to the far east. Expected back in October. Phil Coulter, bosun.

Mississippi Voyager — Chris Thorsen, delegate. Continuing West Coast run with little or no beefs. Scott Oliphant, bosun.

Represented the SUP at the Alameda Labor Council monthly meeting via zoom as well at the 2020 Biennial Convention for the California Labor Federation. Marad is expecting a large Turbo—Activation in late August, it is imperative that SUP fills all billets in a timely manner.

Matt Henning

BUSINESS AGENT'S REPORT

August 2020

President Truman — Gabriel Sipin, delegate. After missing the window of opportunity last trip due to high demand for testing facility results are returning 3 —5 days hoping that's enough time but not always. Isagani Cruz, bosun

President Wilson — Justin Foster, delegate. In at Oakland Berth 56. Sailed for the Far East with no issues. John Duran on this trip off. Running smooth with relief bosun Michael Henderson.

Lurline — Checked in with little or no beefs.

Mahimahi — Gerry Marshall, delegate. In and out of Oakland sailing with no issues for Long Beach on the southern triangle. Mike Worth, Bosun.

Maunawili — In at Oakland with Duke Maringer as delegate. Sailed for Honolulu on the northern triangle. Matson schedule now cutting out Seattle for Tacoma instead next trip. Always subject to change. In good shape with Rhonda Benoit, bosun.

RJ Pfeiffer — Doug Boe, delegate. . In at Oakland, Berth 62. Standbys are a big plus when men are maxing out on hours arriving to port here and in Seattle. Robert Morgan on his trip off; in good hands with relief bosun David Garcia.

Kamokuiki — Company called for standbys for this ship twice. Contractor arrived with high temperature and shut down operations. Standbys worked again; possible activation ahead.

Cape Orlando — Taufiq Wasel, Bosun. In ROS in Alameda. Activation rumors.

Admiral Callaghan — Joel Schor, Bosun. Also in ROS in Alameda. Checked out clean.

Cape Henry — Noel Itsumaru, Bosun. In ROS at Pier#96 in San Francisco. No problems.

Cape Horn — Robert Leeper, Bosun. In ROS at Pier#50 in San Francisco. Checked out okay.

Cape Hudson — Andrew Montoya, delegate. On Pacific Defender mission. Heard from delegate inbound at Anchorage Alaska and again in Tacoma. Assignment problems with topside cleared up enroute to Pearl Harbor. Outstanding job by all with SUP bosun Phil Coulter in charge.

San Francisco Bar Pilots — Big Mike Koller, delegate. New run boat schedule being tested. Running smooth with Leo Moore, dock bosun.

Also worked in the front office on various tasks including dispatching. Reminder when coming to the hall face mask is required, social distance, no congregation.

M/S (Rojas, several) to concur in the balance of the Business Agent's Report in its entirety. Carried unanimously.

Roy Tufono

Defend the Jones Act

Support the SUP Political Fund

