



# West Coast Sailors

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SAN FRANCISCO, CALIFORNIA

Friday, December 25, 2015



*Good tidings and fair seas  
from the  
Sailors' Union of the Pacific*

## Victories for U.S. Merchant Marine!

### MSP funding increased, Ex-Im Bank reauthorized

The year ended on a high note when on December 18, President Obama signed omnibus spending legislation (Consolidated Appropriations Act, 2016) approved by the House of Representatives and the Senate that includes much needed and significant new funding levels for the Maritime Security Program (MSP).

In the short term, the legislation increases MSP funding for Fiscal Year 2016 (October 1, 2015 through September 30, 2016) by \$24 million, making each vessel participating in the program eligible for \$3.5 million rather than the previously authorized \$3.1 million.

In addition and most importantly, the legislation recognizes the necessity of providing a long-term MSP funding schedule that more realistically addresses the impact that reductions in defense and other government cargoes have had on the MSP fleet. It does so by authorizing in the per vessel stipend for each of the 60 militarily-useful U.S.-flag commercial vessels enrolled in the

program to \$4,999,990 per ship in Fiscal Year 2017; \$5 million per ship in Fiscal Years 2018, 2019, and 2020; and \$5,230,000 per ship in Fiscal Year 2021. This increase, which reflects the amount the Maritime Administration has indicated is necessary to retain the 60 vessels and their maritime jobs for the U.S.-flag, will help to guarantee that the Department of Defense will continue to have the commercial sealift capacity it needs to protect American interests around the world.

SUP President Gunnar Lundberg said the action by Congress and President Obama is "a critically important first step in the ongoing battle to strengthen and grow the U.S.-flag merchant marine in the international trades."

SUP-contracted American President Lines and its operating subsidiary APL Marine Services currently operates eight vessels (APL Agate, APL Belgium, APL China, APL Coral, APL Korea, APL Philippines, APL Singapore, APL Thailand) enrolled in the Maritime Security

Program. A ninth vessel, the APL Guam which replaced the APL Cyprine in the program is the subject of a dispute between the Union and APL. See the President's Report on Page 10.

In other good news this month for the maritime industry, the charter of the U.S. Export-Import Bank was renewed December 4, as President Obama signed into law five-year surface transportation authorization legislation, known as the "highway bill," which includes a provision to reauthorize the Export-Import Bank through fiscal year 2019.

The highway bill was produced by a House-Senate conference committee. The conference report containing the Export-Import (Ex-Im) Bank provisions was overwhelmingly approved by both chambers of Congress on December 3.

A portion of exports financed with the assistance of the Ex-Im Bank must be shipped on U.S.-flagged commercial vessels, providing a strong source of cargo

*continued on page 2*

## French outfit buys APL/Neptune Orient Lines

CMA CGM (Compagnie Maritime d'Affretement - Compagnie Generale Maritime) will

acquire Neptune Orient Lines (NOL), the parent company of American President Lines, in an all cash deal worth approximately \$2.4 billion, according to a joint statement issued by the companies on December 7. In addition, CMA CGM assumed NOL's \$2.6 billion debt.

The companies said the deal, which would combine the world's third largest (CMA CGM) and 12th largest (NOL/APL) container carriers is subject to anti-trust approvals in the United States, China and the European Union. A tie-up between CMA CGM and APL would create a combined company with 563 ships with a capacity of 2.4 million TEUs and annual revenues of \$22 billion.

CMA CGM, based in Marseilles, France, said it has a lead-

ing position on the Asia-Europe, Asia-Mediterranean, Africa and Latin America trade routes, while Singapore-based APL is in the TransPacific, intra-Asia and Indian subcontinent trades.

**Ng Yat Chung, the CEO of NOL, said CMA CGM intends to maintain the APL brand as well as APL's U.S.-flag service, which CMA CGM would like to grow.**

Ng added that over the last few years, NOL has been approached by numerous companies interested in acquiring the firm and chose CMA CGM both on the basis of value and "transaction certainty."

Rodolphe Saade, Vice Chairman of CMA CGM, said the company intends to make APL part of the Ocean 3 Alliance it operates with China Shipping

Container Line and United Arab Shipping Company on the major East-West trade routes.

Once approvals from anti-trust authorities are received, CMA CGM said it will launch an offer at a price of \$1.3 (Singapore) or 92.56 U.S. cents per share. Temasek, the Singapore Government's Sovereign Wealth Fund and largest single shareholder (67%) of NOL and its affiliates, are supporting the transaction and irrevocably undertaken to tender all their shares.

CMA CGM said it will establish a regional head office in Singapore. Saade said, "We understand the importance of the maritime industry to Singapore and we intend to build on it."

Michael Sirat, Chief Financial Officer at CMA CGM, said after the two companies are combined

some time next year, up to \$1 billion in assets will be sold and that these could include terminals, ships or containers that could come from either NOL or CMA CGM.

CMA CGM has approximately 22,000 employees and NOL 7,400. Saade said that there will be some "rationalization" of staff as the two companies merge, but said it was too early to say how many workers will lose their jobs.

CMA CGM is a family-owned business founded in 1978 by Jean Saade. The company said it might consider an initial public share offering at some time in the future, but will consider it after integrating APL.

The transaction between CMA CGM and NOL/APL is being financed by J.P. Morgan Chase, HSBC and BN Paribas.

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In the Mahimahi, this month, in Oakland from the left: Norhaslan Idris, Remoni Tufono (Bosun), Joe McDonald, Phillip Romei, Raul Guillen, Izzy Idris, and Mike Soper.

## Export-Import Bank reauthorized

continued from page 1

for the U.S. merchant fleet operating in the international trades.

In late July, the Senate had approved its own six-year highway bill with an amendment included to reauthorize the Ex-Im Bank – that amendment was approved 64-29 in the Senate. The Senate’s long-term highway bill was not voted upon in the House.

Separate legislation to reauthorize the Ex-Im Bank had been bottled up for months in the House due to opposition from some influential members. However, in October, a bold effort spearheaded by Congressman Stephen Fincher (R-Tennessee) forced a vote on stand-alone legislation to reauthorize the bank. Representative Fincher introduced legislation nearly identical to the Senate’s reauthorization and reform measure that had been approved with that chamber’s long-term highway bill. He then spearheaded a discharge petition that quickly gained bipartisan approval from a majority of House members and ultimately forced a floor vote on the stand-alone Ex-Im Bank bill, which was approved 313-118 on October 27.

The successful drive and overwhelming support for reauthorizing the Ex-Im Bank, the charter of which had expired at the end of June, influenced the decision to include renewal of the bank’s charter in the five-year highway bill conference report.

The Export-Import Bank assists U.S. businesses small and large by facilitating the purchase of U.S. manufactured goods for export, among other things.

In fiscal year 2013, the Ex-Im Bank helped facilitate more than \$37 billion in U.S. export sales, supporting more than 200,000 American jobs. Last year, records show the bank supported 164,000 American private-sector jobs as bank activities helped generate \$27.5 billion in U.S. exports. According to a report published in the Ex-Im Coalition, the Ex-Im Bank earned a profit in 2014, covering its expenses and sending \$675 million to the U.S. treasury. In the previous fiscal year, the Ex-Im Bank returned approximately \$1 billion to the U.S. treasury. The Ex-Im Bank is self-sustaining and does not cost U.S. taxpayers a single dollar.

## Membership and Ratings Committee

Met on December 3, and found the following members eligible for advancement in seniority and rating stamps in the various departments:

Name and Membership Number	Seatime	Rating	Seniority
Mark Relajo #3205	6 Years	A.B.	A
John Lucia #19425	1 Year	A.B.	B
David Carroll #19426	1 Year	O.S.	B
Jerwin Ablan #19427	1 Year	A.B.	B
Perciverando Quiteles #19428	1 Year	A.B.	B
Matthew Doyle #19429	1 Year	O.S.	B
Ralph Ruder #19430	1 Year	A.B.	B
Benjamin Ashton #19431	1 Year	O.S.	B
Scott Stokes #19432	1 Year	A.B.	B
Isiah Montoya #C2563	30 Days	O.S.	C
Joseph Petitfils #C2564	30 Days	A.B.	C
Ruben Maglinte #C2565	30 Days	A.B.	C
Gunnar Burns #C2566	30 Days	O.S.	C
Andrew Sullivan #C2567	30 Days	O.S.	C
Benjamin Linn #C2568	30 Days	O.S.	C
Rocky Contreras #C2569	30 Days	A.B.	C
Rating Stamps - None			

Membership and Ratings Committee’s Report: M/S to concur in the Committee’s report. Carried unanimously. Membership and Ratings Committee: Paul Fuentes #2239, Christopher Go #19316, and Edwin Narvasa #C2540.

## Final Departures

**Sidney Everidge**, Book No. 1832. Born in Kentucky in 1925. Joined SUP in 1945. Died in Hillborough, Oregon, November 18, 2015. (Pensioner)

**Robert Bacon**, Book No. 4736. Born in South Dakota in 1920. Joined SUP in 1944. Died in Washington, November 19, 2015. (Pensioner)

**Bill Joe Bell**, Book No. 5701. Born in Arkansas in 1926. Joined SUP in 1966. Died in Hot Springs, Arkansas, November 27, 2015. (Pensioner)

**Clyde “Red” Bell**, Book No. 4315. Born in California in 1923. Joined SUP in 1941. Died in Redlands, California, December 4, 2015. (Pensioner)

# New study: America too dependent on Chinese ships

In future conflicts, America’s merchant fleet could find itself outnumbered and outmaneuvered on the high seas, say the authors of a new paper on U.S. maritime security. The paper, released November 19, and entitled “Sea Strangulation: How the United States Has Become Vulnerable to Chinese Maritime Coercion,” highlights the defense risks of a reduced American merchant fleet and the need to improve its capability.

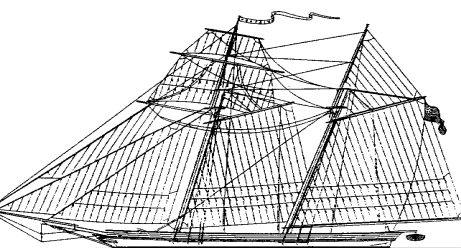
The authors –Captain Carl Schuster, former Director of Operations at the U.S. Joint Intelligence Center Pacific, and Dr. Patrick Bratton, Associate Professor of Political Science at Hawai’i Pacific University– claim that “the United States has adopted an ‘abandon ship’ policy towards the crucial merchant maritime industry,” and has let it shrink to its smallest size since the Spanish-American War.

Bratton and Schuster point to the gap in fleet size between the U.S. and China. “Only about 80 of the ships engaged in international trade across the world’s oceans are U.S.-flag carriers,” compared with a Chinese deep sea merchant fleet of 3,900 ships. “China does not need to blockade foreign ports to cut off the flow of goods . . . Chinese authorities could do this by controlling the price of goods entering or leaving United States ports through manipulation of shipping rates or ocean carrier service.” The authors describe this potential threat as “Sea Strangulation.”

The five largest container shipowners are headquartered in nations with American mutual defense treaties, and these companies carry nearly a third of global volume by TEU. But if China or any other nation should create a naval blockade or “no-go zone” at sea, foreign-flagged vessels could choose to remain neutral and avoid danger, stranding American cargoes.

“Would foreign ship owners and crews take the risk of standing up to [another military power]?” ask the authors.

American allies have joined in military sealift efforts before; 22% of cargoes for the buildup to Operation Desert Storm went aboard foreign-flagged vessels of allied nations. But foreign-flag carriage of military cargo has also created problems for American forces in the recent past.



## SUP Meetings

These are the dates for the regularly scheduled SUP meetings in 2016:

	Hdq.	Branch
January	11	Tues. 19
February	8	Tues. 16
March	14	21
April	11	18
May	9	16
June	Tues. 14	20
July	11	18
August	8	15
September	12	19
October	Tues. 11	17
November	14	21
December	12	19

In 1965, shipments of military supplies for Vietnam were held up for months due to neutrality issues. That year, Mexican government authorities ordered the Mexican-flagged merchant vessel *El Mejicano* to offload its Vietnam-bound American cargo. Mexico claimed neutrality, and it refused to let a vessel under its flag carry military supplies. But “loading the cargo on a Greek-flag ship did not solve the problem because the Greek crewmen also refused to sail the cargo to Vietnam,” the authors say. In all, a total of seven ships in three months refused American cargoes bound for Vietnam.

As an example of the type of sealift capacity America might need in the future, the authors estimate that in a conflict in the South China Sea, the deployment of two carrier strike groups would require the shipment of 100,000 tons of ordinance and 300,000 tons of fuel in the first 30 days. The plan would require large sustained deliveries every day thereafter, transported over a distance of more than 6,000 nautical miles. They added that outlying American territories like Guam and Hawai’i would be vulnerable to a blockade if American ships were not available to carry goods to them in time of war.

Bratton and Schuster conclude that the security of the supply chain for military operations and territorial protection requires a strong government commitment to the U.S.-flagged merchant fleet. They “recommend strengthening the Maritime Security Program and maintaining the Jones Act . . . an over dependence on flag-of-convenience carriers and ships belonging to China or other nations that may test the U.S., [and] could lead to hardship for those who live and serve under the flag of the United States.”

Recent events in Australia illustrate the effects of limited government support for a domestic fleet. Since last year, the Australian-flagged fleet has lost three of five coastal tankers and one bulkier to foreign competition. Some analysts estimate that if all of the current government’s cabotage laws are enacted, the number of Australian merchant mariners will fall to less than 100 people.

### West Coast Sailors

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# Pacific trade and worker rights

“President Obama says that the Trans-Pacific Partnership (T.P.P.), a trade agreement his administration negotiated with 11 other countries, will help raise labor standards in developing nations like Vietnam, Malaysia and Mexico. The deal, the text of which was published last month, could deliver on that promise, but much will depend on factors beyond Mr. Obama’s control, like how T.P.P. countries and future presidents carry out the pact.

Historically, presidents negotiated agreements primarily to reduce or eliminate trade barriers like customs duties and quotas. The agreements included few measures to advance labor rights. The North American Free Trade Agreement (NAFTA) among the United States, Canada and Mexico, which went into effect in 1994, for instance, was accompanied by a side deal on labor standards that was not fully enforceable.

More recent deals have contained tougher labor provisions, as it has become apparent that trade has contributed to sweatshop conditions and other labor abuses in many developing countries. Such abuses led Democratic lawmakers to insist that agreements negotiated by President George W. Bush with Peru, Colombia and other countries contain provisions to allow workers in those countries to form unions and collectively bargain with employers. Some of those changes might have happened anyway, as the countries became richer, but the trade agreements were intended to speed that up.

Obama administration officials say the T.P.P. goes further on labor standards than those earlier pacts. For example, the T.P.P.’s labor chapter requires all 12 countries to adopt minimum wage, working hour and occupational safety regulations. That is an improvement, but it could turn out to be mostly symbolic because the agreement does not specify how countries should set minimum wages. Nor does it establish any minimum standard for safety regulations.

Experts say the most important labor provisions are found in side agreements the Obama administration reached with Vietnam, Malaysia and Brunei individually to address specific problems like barriers to union organizing and the treatment of immigrant workers from countries like Myanmar. These countries will have to change their labor laws in specific ways before they are allowed to export goods duty-free to the United States.

The agreement with Vietnam, a country run by a communist government, would require that workers be permitted to form independent unions that are not affiliated

with the Communist Party and would have the right to bargain collectively and to strike. This should help workers who have been exploited to demand better pay and better working conditions.

American labor leaders are unconvinced these side deals and the labor provisions that apply to all countries will sufficiently improve union power. They have long worried that trade encourages a race to the bottom, hurting American workers. Labor leaders rightly point out that even under the pact, the Vietnamese government does not have to let new unions form federations to represent workers at the national level for up to five years after the agreement becomes effective, which is expected to happen in 2017 if it’s ratified by Congress.

By far the biggest concern, aside from the particulars of the side deals, is whether President Obama’s successor “will actively enforce the T.P.P.’s provisions. The Obama administration has been slow to bring significant cases against countries like Guatemala when they violate existing trade agreements.

In 2008, the AFL-CIO and Guatemalan workers’ organizations filed a complaint against the Guatemalan government for failure to enforce its own labor laws, as mandated by the Dominican Republic-Central America-United States Free Trade Agreement. After years of negotiations with Guatemala, the Obama administration took that case to arbitration last year to force the country to prosecute abusive employers and make it easier for workers to form unions.

Administration officials say the Trans-Pacific agreement will establish faster timelines for resolving disputes, and the government is also making it easier for activists to have complaints investigated by the Department of Labor.

Of course, what will improve pay and working conditions most in poor countries is faster economic growth. But before that happens, unregulated industrial growth can have very damaging effects. The rapid expansion of Bangladesh’s garment industry, for instance, has led to horrendous workplace conditions—and factory fires and building collapses that have killed hundreds of people.

The United States should insist on stronger enforcement of labor rights with trade pact countries. The TransPacific agreement makes some important strides in this area, but those achievements will not mean much if the improvements exist only on paper.”

*Editorial from the New York Times, November 21.*

## Oakland to raise height of cranes

The Port of Oakland announced this month that it is raising four massive gantry cranes by 26 feet to span modern megaships. The \$13.95 million project, scheduled to begin in April, will increase Oakland’s capacity to handle giant container vessels.

“The big ships come here on a regular basis,” said Port of Oakland Maritime Director John Driscoll. “This equips us to take on more of them as shipping lines continue to scale up.”

The taller cranes, located at Oakland International Container Terminal, will be able to reach 141 feet above the dock and will have the height to load and unload ships with capacity up to 14,000 TEUs.

The four cranes will be supported by jacking frames while their legs are cut away and replaced with new, longer ones. The legs will be fabricated by Shanghai-based ZPMC, the company that manufactured the cranes. The Port said it will take 10-to-12 weeks to lift each crane.

The Port’s cranes can lift as much as 65 tons of containerized cargo. Once they’re heightened, they’ll be able to reach three rows of containers higher on a ship.

There are a total of 33 cranes at the Port’s five marine terminals, eight of which are tall enough to reach atop the biggest ships in Oakland. The Port said it is lifting the additional cranes with an eye toward the future of global trade.



*The ROS (Reduced Operating Status) deck gangs of USNS Gordon and Gilliland assembled on deck for a Union meeting just before Thanksgiving in Baltimore. From left to right is Bosun Michael Harris, OS John Fletcher, AB Diomedes Rebosura, Bosun Robert Evers, GVU Eduardo Ramos, and OS Zach Yanak.*

## Matson to increase freight rates

Matson announced last month that the company will raise its cargo rates for Hawai’i service by \$225 per westbound container and \$110 per eastbound container, effective January 3, 2016. The adjustment, which will represent an increase of less than 5% for the majority of Matson’s customers, is designed to help offset increasing costs of operation and support continuing investment in improvements to Matson’s Hawai’i service.

Matson has invested nearly \$1 billion in new containerships, fleet enhancements, new container equipment, information technology improvements and upgrades to its terminal facilities in recent years. Last month, the company commenced construction on two new 3,600 TEU ‘Aloha Class’ containerships that are designed specifically for Hawai’i service and scheduled to launch in 2018.

## Study finds drone ships unlikely within next decade

Drone cargo ships, known colloquially as ‘ghost’ ships, are unlikely to start operations within the coming decade and an intermediate step of partially automated ships with much reduced crew levels should be expected beforehand.

A study on key technologies impacting the ports and logistics commissioned by global terminal operator DP World said the introduction of drone ships faces significant challenges not least the minimum crew requirements set out in international maritime conventions.

“A related concern is safety, and it is unclear when autonomous or remotely-operated ships will be able to adequately cope with the challenges of weather, obstacles and in-trip repair,” the study notes.

However, a study completed in October by the European Commission’s Maritime Unmanned Navigation Through Intelligence in Networks project found that for foundering and collision scenarios, drone ships have a lower risk than a conventional vessel. The Commission study concluded that drone ships can surmount the legal obstacles to their development. “It appears that the unmanned ship does not pose an insurmountable substantial obstacle in legal terms. Provided there is reasonable certainty that the unmanned ship can operate at least as safely as a manned ship, in all its functionalities, there is no reason to think that the legal framework cannot be adapted,” it said.

Development work on drone ships continues to move forward with global satellite communications company Inmarsat recently joining the Advanced Waterborne Applications initiative led by

the Rolls Royce Holdings. Inmarsat said it will provide expertise in data transfer and communications to the AAWA project.

Inmarsat’s third Global Xpress satellite becomes operational at the end of the year, which means there are now no coverage black spots in any of the world’s seas that would allow drone ships to lose contact with their human operators.

The Royce Holdings Blue Ocean development team in Norway is working on designs for a remote-controlled cargo vessel and claim most of the technology is available but it needs to be integrated into a working vessel. It is the legal and regulatory environment that is seen as the major obstacle to deploying drone ships in a working capacity. If the regulatory challenges can be overcome, drone ships could eliminate the majority of shipping accidents, which are most often caused by human error due to fatigue, the study said. Drone ships would also be less appealing targets for piracy because they would not have any possible hostages.

“From the perspective of port operators, drone ships would integrate best with the most automated terminals and would be beneficial for their business by helping to maintain the cost-competitiveness of sea transport,” the study said.

Rolls-Royce estimates drone ships could reduce fuel consumption by up to 20 percent; could store more cargo relative to the ship’s size, and be 40 percent cheaper to operate. The European Commission study found that in a comparison between an automated bulk carrier and manned bulk carrier, the drone would improve expected present value by \$7 million over a 25-year period.



# SUP Honor Roll

Voluntary contributions from the membership to the following funds reported in 2015:

## Organization/General Fund

Jaime Acosta	50.00
Abe Acosta	60.00
Jose Angeles	20.00
Benjamin Braceros	50.00
Alex Capistrano in memory of Andy Andersen	100.00
Joseph Carson	25.00
Robin Colonas	100.00
Donald Cushing	150.00
Gearold DeCleir	33.00
Jay Dillon	20.00
Leo Endries	50.00
Dave Eriksen	100.00

Thor Erikson	40.00
Dave Frizzi	200.00
Marvin Glasgow	85.00
John Hamann	20.00
Paul Herriott	35.00
Mark Hurley in memory of Bill Berger	100.00
Leszek Jeziorski	308.00
Robert Jones	50.00
Czeslaw Knobbe	100.00
Norman Kurtz	100.00
John Lapollo	500.00

Robert Leeper	500.00
Jim Linderman	10.00
Martin Machado	10.00
Maea Loe	100.00
John Mancilla in memory of Henry Johansen	50.00
Nicholas Marinovich	200.00
Steve Messenger	100.00
Leo Moore	200.00
Vince O'Halloran	100.00
Ariel Odion	50.00
Cezar Paeste	150.00

Ricky Pangan	50.00
Charles Rafael	125.00
Robert Reed	150.00
Teofilo Rojas	50.00
Philip Romei in memory of Bill Berger	100.00
Steven Ross	100.00
Cirilo Sajonia	20.00
Joel Schor	20.00
Scott Stokes	500.00
Efren Tan	45.00
Frank Walsh	25.00
Peter Winter	50.00

## Sailors' Political Fund

Wilson Abanto	60.00
Alan Abucay	35.00
Abe Acosta	60.00
Apolinario Aguirre	100.00
Saher Ali	25.00
Hussein Ali	40.00
Nicholas Anestis	100.00
W. Aquino	30.00
Billy Bell	50.00
Dennis Belmonte	170.00
John Benson	100.00
William Berger	100.00
Rogelio Berioso	25.00
William Berry	100.00
Archie Bickford	200.00
Brendan Bohannon	150.00
Robert Bourne	200.00
Benjamin Braceros	50.00
Chris Bunheirao	100.00
Robert Burns	10.00
Milton Caballero	30.00
Marc Calairo	400.00
Reginald Clark	100.00
Reynaldo Clores	70.00
Stephen Campbell	50.00
Robin Colonas	100.00
Dave Connolly	1300.00
Kevin Conroy	180.00
Jennifer Corner	50.00
Douglas Crute	50.00
Paul Davis	25.00
Andre Dayley	25.00
Gearold DeCleir	33.00
Salvador DelRosario	110.00
Colin Dewey	50.00
Jay Dillon	60.00
Henry Disley	75.00
Ronildo Dimatulae	25.00
Mike Dirksen	150.00
John Drolla	20.00
Marc Dulay	100.00
Ramon Duran	10.00
Erling Eastmark	80.00
Rico Ecalnir	10.00
Joseph Eckert	20.00
Mike ElMobdy	100.00
Leo Endries	25.00
Dave Eriksen	100.00
David Fadoul	100.00
Diane Ferrari	300.00
James Flaherty	35.00
Lymel Gabor	20.00
Joseph Gallo	150.00
Art Garrett	100.00
Gerry Gianan	90.00

Derick Glenn	10.00
Valeriy Goncharov	60.00
Allen Gonzalez	40.00
Juan Gonzalez	70.00
David Green	30.00
Rolando Gumanas	85.00
John Hamann	20.00
Mark Hargus	100.00
Michael Henderson	100.00
Paul Herriott	30.00
Kenneth Herzstein	100.00
Jill Holleman	100.00
Nick Hoogendam	20.00
Herminio Huavas	50.00
Mark Hurley	200.00
Isnin Idris	200.00
Norhaslan Idris	110.00
Anthony Ingegneri	50.00
Noel Itsumaru	100.00
Forrest Jackson	100.00
Vern Johansen	50.00
Peter Johnsson	50.00
Robert Lee Jones	100.00
Monte Kalama	250.00
Dave Kaupiko	10.00
Melvin Kessler	50.00
Kevin Kestel	20.00
Geoffrey Knight	200.00
James Kolm	20.00
Jerry Komoto	200.00
Kaj Kristensen	100.00
John Lapollo	10.00
Edmund Len	50.00
Chad Leong	10.00
Bruce Lepule	70.00
Maeo Loe	50.00
Gunnar Lundeberg	600.00
Raul Macalinao	30.00
Martin Machado	20.00
Nick Manessiotis	60.00
Joe Mantanona	70.00
MV Manulani	200.00
Duke Maringer	100.00
Faith Matas	50.00
Brian McCarthy	25.00
Michael McLavy	100.00
David Mercer	200.00
Steve Messenger	50.00
Dennis Murphy	200.00
Sebastian Navarro-Delaney	100.00
Vince O'Halloran	300.00
Reynanito Obis	10.00
Jose Obsuna	30.00
Ariel Odion	30.00
William Ofsthus	100.00

Mike Orosz	20.00
Ricky Pangan	250.00
Nestor Pascual	50.00
John Perez	225.00
John Peterson	50.00
Raymond Pinochi	275.00
Jordan Polon	25.00
Frank Portanier	50.00
Mike Potenti	50.00
Filemu Pule Unutoa	50.00
Arsenio Purganan	210.00
David Purganan	20.00
Paul Purugganan	50.00
Knut Rasmussen	40.00
Diomedes Rebosara	120.00
Raymond Reed	50.00
David Reinking	50.00
Antonio Respicio	150.00
Emmanuel Rezada	40.00
Teofilo Rojas	100.00
Philip Romei	100.00
John Ross in memory of Chris Curcio	50.00
Glee Hollander	50.00
Steven Ross	100.00
Manuel Roxas	30.00
Randy Runyan	450.00
Stephen Rydberg	300.00
Jason Rymel	50.00
Warlito Sapin	25.00
Gonzalo Sarra	100.00
Gregory Schauf	20.00
Joel Schor	25.00
Sam Scott	50.00
Anton Seravaseiyar	50.00
Gabriel Sipin	30.00
Mike Soper	30.00
Knud Sorensen	250.00
Richard Stinson	40.00
William Sullivan	100.00
Dennis Sumague	20.00
Steve Swinson	25.00
Efren Tan	110.00
Tulilo Tautala	20.00
Ray Tavai	20.00
Robert Taylor	150.00
Daniel Tin Tun	60.00
Jeffrey Titco	50.00
Julian Torre	10.00
Roy Tufono	150.00
Louie Urbano	200.00
Frank Walsh	50.00
Richard Watkins	50.00
Grant Wegger	20.00
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Eric Weintraub	100.00
Erick Weiss	100.00
James White	60.00
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Erik Williamson	75.00
William Williamson	200.00
Peter Winter	150.00
Nicole Withers	50.00
Elston Wong	25.00
Danilo Ycoy	20.00

## Dues-Paying Pensioners

Gordon Abbott	Book #3785
Robert Copeland	Book #4763
Donald Cushing	Book #4777
Romaine Dudley	Book #2593
Diane Ferrari	Book #2251
Gerald Ingemansson	Book #0379
Kaj E. Kristensen	Book #3120
Hannu Kurppa	Book #3162
Dave Larsen	Book 19078
Duane Nash	Book #2437
John Perez	Book #3810
Alex Romo	Book #3193
Francisco Salvatierra	Book #7498
James Savage	Book #7488
Ralph Senter	Book #7323
David Shands	Book #7483
Arthur Thanash	Book #3249

**Timely Reminder**  
**First quarter 2016**  
**dues are due**  
**and payable *now!***

### SUP Constitution ARTICLE VI DUES AND INITIATION FEE

Section 1. The initiation fee shall be Sixteen Hundred Dollars (\$1600.00) payable in installments with the sum of One Hundred Dollars (\$100.00) being due and owing upon the member's admission into the Union and the balance of Fifty Dollars (\$50.00) per month for each month or part thereof in SUP-contracted vessels.

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

# West Coast Sailors

Abe Acosta.....	60.00	Kenneth Herzstein .....	25.00
James Acosta .....	50.00	Lester Hofstad.....	25.00
Douglas Alexander .....	50.00	Mark Hurley .....	200.00
Walter Andt.....	25.00	Sherman Iaea.....	50.00
Nicholas Anestis .....	100.00	Anthony Ingegneri .....	25.00
Melvin Armon.....	50.00	Herbert James.....	25.00
Rogelio Bacalla .....	50.00	Vibeke Jensen .....	200.00
John Ban .....	25.00	Arthur Kardinal.....	25.00
Robert Barbee.....	25.00	Melvin Kessler.....	50.00
Gunnar Beaver .....	50.00	Richard Kingsbury.....	125.00
Billy Bell .....	25.00	James Kula .....	25.00
Martin Bellhouse .....	25.00	Norman Kurtz.....	25.00
Brandon Bohannon.....	25.00	Thomas Larkin .....	65.00
Donald Bohle.....	25.00	Gunnar Larsen .....	25.00
Roy Bradshaw .....	25.00	Robert Leeper .....	50.00
Stanley Branch .....	25.00	Hans Lilledahl.....	100.00
Edward Brown .....	50.00	ILWU Local 8 .....	25.00
Charles Butler.....	10.00	Martin Machado.....	20.00
Marc Calairo.....	50.00	John Mancilla .....	25.00
Lee Cherry.....	25.00	Brian McCarthy .....	25.00
Bertha Chung .....	100.00	Joseph Meehan .....	25.00
Robin Colonas .....	50.00	Steve Messenger .....	50.00
Cal Cunningham.....	50.00	Reynoldo Minoli .....	50.00
Jeff Curtis .....	25.00	Trev Motlow.....	25.00
Donald Cushing.....	50.00	David Munroe .....	25.00
Richard Cychowski.....	300.00	Dennis Murphy .....	200.00
William DeBenedictis.....	20.00	John Nannini.....	25.00
Henry Disley .....	25.00	Kenneth O’Halloran.....	30.00
Thomas Dougherty .....	25.00	William Ofsthus .....	50.00
Robert Doyle .....	100.00	Scott Oliphant.....	20.00
Marc Dulay .....	50.00	Ricky Pangan .....	100.00
Leo Endries .....	25.00	John Perez .....	75.00
Dave Eriksen .....	100.00	Donald Persian .....	100.00
James Flaherty .....	25.00	James Phelps .....	25.00
Michael Fox .....	50.00	Jack Post .....	25.00
Mamoru Fukano.....	25.00	Charles Rafael.....	25.00
Joseph Gallo .....	150.00	John Rescino .....	25.00
William Galvez .....	25.00	Rizal Rillo .....	25.00
Marvin Glasgow .....	25.00	Manual Rodriguez .....	25.00
Burnett Green .....	25.00	Teofilo Rojas .....	50.00
Ruben Guerra .....	25.00	Bob N. Ross .....	25.00
Wilson Gustafson .....	10.00	Angelo Rossano.....	25.00
Franklin Haugen.....	25.00	Joseph Russell .....	25.00
Paul Herriott.....	35.00	Stephen Rydberg.....	50.00

Rodelio Santos.....	20.00	Eugene Tomlin.....	25.00
Warlito Sapin .....	80.00	Harold Uriarte.....	500.00
George Schemoon .....	25.00	V.G. Valentine .....	100.00
Bruce Smith.....	45.00	Peter Villanueva .....	25.00
Bruce Cabot Smith .....	45.00	Richard Walsh.....	45.00
Kai Sorensen .....	25.00	Carl Walters .....	75.00
Eugene Souza.....	25.00	Richard Watkins.....	50.00
James Stelpstra .....	50.00	Charles Weber.....	25.00
Steve Swinson .....	25.00	Franklin Whitman .....	75.00
Efren Tan.....	45.00	Philip Williams .....	25.00
Spencer Thompson .....	30.00	Gilbert Wilson.....	25.00
Bruce Thompson.....	75.00	Elston Wong.....	25.00
John Thompson.....	25.00	Antonio Ymas .....	20.00
Brian Toder in memory of		Bud Yost.....	50.00
Al Toder .....	25.00	Edward Yu Chin Ching .....	25.00

## Slavery at sea: Thai traffickers busted

A three-year investigation into slavery on Thailand’s fishing boats has uncovered a well-oiled system of trafficking, abuse and exploitation in the southern port of Kantang, leading to eight arrests this month, a campaign group said.

The owner of a fishing company, three enforcers and four boat captains were arrested on November 7, after the Environmental Justice Foundation (EJF) handed police evidence against them, including testimonies from fishermen who escaped their boats.

Thai police spokesman Kissana Phathanacharoen said they expected to lay charges early in 2016 with investigations ongoing into the money trail and more arrests likely.

EJF’s report comes a week after Swiss food giant Nestle SA admitted that slave labor was used in its Thai seafood supply chain, adding to mounting calls to clean up a \$3 billion industry long dogged by allegations of abuse in recent years.

EJF’s Director Steve Trent said he hoped evidence the organization had collected would be fully tested in court to protect fishermen, many of whom are migrant workers trafficked from Thailand’s poorer neighbors, Cambodia and Myanmar. “This cannot be an arbitrary kangaroo court just driven to please the international community at this key time for Thailand. It’s got to bring people justice,” Trent told the Thomson Reuters Foundation in an interview.

EJF said Kantang’s fishing industry, which netted 65,000 tons of seafood in 2013, is dominated by three companies who help make Thailand the world’s third largest seafood exporter. The Thomson Reuters Foundation tried to contact the three companies –Boonlarp Fishing Co. Ltd, Jor Monchai, and Wor Wattana Sohpon– seeking comment on their operations and crews.

“With respect to the fishermen, we do everything correctly now. We do not violate migrant fishermen’s rights. We hire them correctly and treat them right,” said a man at Boonlarp’s office in Kantang who answered a phone call. He declined further comment and would not give his name.

Jor Monchai owner Pramote Cholwisit insisted violence and labor violations were a problem of the past. “On shore, there are no such violations. At sea, there may be some problems – before there were many. When the migrants fight at sea, it can become violent, and we try to solve this problem by putting them on separate boats,” Pramote said by telephone from Trang. “At my pier, I guarantee there are no such problems.”

EJF’s report details how migrants from Cambodia and Myanmar are trafficked to work on Kantang’s fishing fleets, becoming trapped in a cycle of debt and abuse that was repeated elsewhere in the country. Brokers in Kantang, a port in decline about 90 miles from the Malaysian border in Trang province, employ a network of enforcers and informants, such as motorbike taxi drivers, to monitor and control crew while they are on shore.

At sea, the fishermen face violence, intimidation, dangerous working conditions and even murder, according to the EJF report. They would torture and murder the fishers then throw them into the sea,” escaped migrant worker, Tun Thet Soe, told EJF.

The extent of the problem in the Thai fishing industry is hard to gauge. Thailand’s seafood industry employs more than 650,000 people. Activist group Raks Thai Foundation estimates that about 200,000 of them are migrant workers from Myanmar, Cambodia and Laos, many of whom are undocumented.

The overall catch per unit effort –a measure of the abundance of fish– in the Gulf of Thailand and the Andaman Sea has plummeted by more than 86% since 1966, making Thai waters among the most over-fished in the world, the EJF added. Faced with diminishing catches, Thai operators routinely use human trafficking networks to provide crew for their boats and cut costs, it said.

Corruption is a major obstacle to ending slave labor in Thailand with some police officers involved in leaking information to fishing companies and brokers, suppressing investigations and, on occasion, taking part in violence against migrant workers, EJF said.

Royal Thai Police deputy spokesman Kissana said police are extending the detention of the eight suspects, who by law can be held for 84 days in total with charges expected soon. “Right now we are expanding the investigation to find additional suspects involved in the case,” he said, adding that police are working with the government’s anti-money laundering office to follow the money trail and seize funds.

Trent said more action was needed to clean up the industry. “Those personal fiefdoms, those small territories that exist in the ports and provinces where the worst of this is happening, has to be pulled under the control of Bangkok,” he said.



*In the Maui, leaving Honolulu, Bosun Noel Isumaru and AB Philip Coulter stowing mooring lines on the bow last month.*

## DEFEND THE JONES ACT

## SUPPORT THE SUP POLITICAL FUND



# Government demands \$161 million from Sewol/ operator

The South Korean government has filed a law suit against the operator of the ferry *Sewol* demanding it reimburse the government for the compensation given to the victims of the disaster. The 6,825 ton ferry sank off the South Korea’s southern coast in April 2014, killing 304 passengers, mostly school children on a field trip.

*Yonhap* news service reports that the Ministry of Justice filed the lawsuit with the Seoul Central District Court, demanding that Cheonghaejin Marine Co. and its 22 employees pay 187.8 billion won (US\$161 million). The amount asked will increase if government spending on the incident increases, the ministry said. The suit follows the recent decision by the nation’s top court to uphold a life sentence for the captain of the ferry.

The government is also planning suits against the heirs of Yoo Byung-eun, former chairman of Semo Group and others

held liable in causing the accident. Semo is the now-defunct predecessor of ferry operator Cheonghaejin Marine Co.

The sinking of the ferry resulted widespread public and political reaction within South Korea. Many criticize the actions of the captain and most of the crew of the ferry. More criticize the ferry operator and the regulators who oversaw its operations. Additional criticism has been directed at the South Korean government and media for its disaster response and attempts to downplay government culpability.

On May 15, 2014, the captain and three crew members were charged with murder, while the other 11 members of the crew were indicted for abandoning the ship. An arrest warrant was also issued for Yoo Byung-eun, the owner of Chonghaejin Marine, but a nationwide hunt to find him ensured and on July 22, 2014, police revealed that he had committed suicide.

# Treasure-laden Spanish galleon found off Columbia

The wreck of the Spanish ship *San Jose* laden with treasure that was sunk by the British more than 300 years ago has been found off the Colombian coast, near Cartagena, says Colombian President Juan Manuel Santos.

The *San Jose* has been described as the holy grail of shipwrecks, as the ship was carrying one of the largest amounts of valuables ever to have been lost at sea. Santos said the cargo was worth at least \$1 billion.

The *San Jose* was carrying gold, silver, gems and jewelry collected in the South American colonies to be shipped to Spain’s king to help finance his war of succession against the British when it was sunk in June 1708.

The vessel was attacked by the 70-gun British warship *Expedition*, 16 miles outside of Cartagena, under the command of Commodore Charles Wager, and sank in 1,000 feet of water.

Colombian officials would not reveal the precise location of the wreck, but Santos said the find “constitutes one of the greatest, if not the biggest, as some say, discoveries of submerged patrimony in the history of mankind”. He said that a museum would be built in Cartagena to house the ship’s treasures.

The Colombian government did not mention its long-running dispute with U.S.-based salvage company Sea Search Armada (SSA) over claims to the treasure. A group now owned by SSA said in 1981 that it had located the area in which the ship sank.

SSA has been claiming billions of dollars for breach of contract from the Colombian government, but in 2011 an American court ruled that the galleon was the property of the Colombian state.

It is estimated that the *San Jose* is one of more than 1,000 galleons and merchant ships that sank along Colombia’s coral reefs during more than three centuries of colonial rule.

# Drunk mate caused ship’s grounding

The Scottish Marine Accidents Investigation Branch has released its findings on the February 18 grounding of the cargo vessel *Lysblink Seaways*, and it alleges that the chief mate had consumed half a litre of rum before running the ship up on rocks at Kilchoan. The report found that “the officer on watch lost situational awareness while under the influence of alcohol.” Additional factors included having no lookout on the bridge, a disabled alarm system, and other safety shortcomings on board.

The chief mate was relieved at 1800 hours the night of the grounding, and while he was off duty he received a phone call which caused him distress. He is alleged to have consumed two thirds of a bottle of rum while he was off duty. He returned to the bridge and took over the watch at midnight. The vessel’s track varied considerably from the planned route over the next two hours, and she narrowly escaped one grounding before finding the rocks at Kilchoan. She was making 13 knots shortly before the accident and was found to have run aground at full speed.

The report indicates that the AB on watch was not on the bridge before the accident; he told the vessel’s master that he “had been keeping his watch in the deck office.”

First responders administered Breathalyzer tests and found the chief mate’s alcohol limit at eight times the legally permissible amount. The master and second mate both recorded a zero reading.

Authorities estimate that the *Lysblink Seaways* spilled 25 tons of fuel oil, after at least one hull breach and two further days of pounding onto the rocks before she could be salvaged. She was scrapped after a drydock inspection.

# Mysterious corpse-filled ‘ghost ships’ keep washing up in Japan

The rickety wooden ships wash up barnacle encrusted and eerily quiet. Like something out of a nightmare, they’re manned only by skeletons, the passengers and crew killed by an unknown calamity. The boats’ sparse cargo and humble exteriors offer some clues about their origins –fishing nets, signs written in Korean– but do little to explain what tragedy brought them to Japan’s shores.

At least 12 of these “ghost ships” carrying 22 decomposing bodies have appeared along Japan’s northwestern shore since October, the Japanese coast guard told *Reuters* news agency. Though it’s thought that the “primitive” wooden boats are Korean, the identities of the victims on board are unclear. They could be North Korean defectors who set out to sea in search of asylum. Or they might be fishermen who, in desperate hope of increasing their catch, strayed dangerously far from their home ports.

According to Hong Kong’s *South China Morning Post*, Japanese authorities are working under the latter assumption. “We know that the regime in North Korea is pushing its farmers and fishermen to produce greater amounts of food,” Robert Dujarric, director of the Institute of Contemporary Asian Studies at Temple University’s Japanese campus, told the newspaper. “To my mind, the most likely explanation is that these were simply fishermen who were trying to fulfill large quotas and simply ran out of fuel too far out at sea to get home.”

The “primitive looking” motorized boats, each approximately 39 feet long, were not equipped with GPS navigation, the *Japan Times* reported. Adrift and ill-equipped for an extended time at sea, their crews likely died of exposure or hunger. In most cases, the bodies were in such bad shape it was impossible to determine the cause of death. One boat that came ashore late last month held six skulls, assorted other remains and only one full body with a head attached. It was described as “nearly intact.”

Though ghastly, the appearance of the “ghost ships” is common in Japan – the numbers this year haven’t even been particularly high. According to the *Japan Times*, 34 of the boats have drifted over since the beginning of the year, compared with 65 in 2014 and 80 the year before that.

The numbers are especially high during the fall and winter because of cold prevailing winds from the northwest, Japanese coast guard spokesman Yoshiaki Hiroto said. The season is also the prime period for squid, sandfish and king crab – valuable export products, according to *Reuters*.

Since taking office in 2011 North Korean leader Kim Jong Un has pushed to boost food production in his impoverished country, where roughly 41% of the population is undernourished, according to the UN. Analysts and defectors also say that Kim has instituted incentives for fishermen to bring in a bigger haul, which can be exported to China as a way to get foreign currency. “There is a possibility this incentive system led people to take more risks,” Lee Jong-won, an international relations professor at Japan’s Waseda University, told *Reuters*.

Also speaking to the news agency, Lee So-yeon, a North Korean army defector who arrived in Seoul in 2008, noted that the country’s more than one million-member military is heavily involved in food production and the army sometimes hires civilian fishermen to make money. One ship that washed ashore late last month bore the label “Korean People’s Army No. 325” in red Hangul characters on its hull, according to the *South China Morning Post*. (Hangul is the Korean alphabet).

But analyst John Nilsson-Wright told CNN he thinks it more likely that the boats carried defectors attempting to flee poverty or political oppression in North Korea.

Most people looking to leave the country flee overland into China or, less often, by sea to South Korea. But Nilsson-Wright suggested that defectors may be opting for the riskier route across the Sea of Japan because the traditional routes are being more closely monitored. “What we do know is that for those people living outside of Pyongyang [the North Korean capital] ... life remains extraordinarily hard,” said Nilsson-Wright, the head of the Asia program at the U.K. think tank Chatham House. “It may be an economic necessity as much as a desire for political freedom encouraging some people in the North to try and leave the country.”



Crew members in the USNS Pomeroy completed an exercise with the British in November. The British OIC was very impressed with the performance deck gang under the solid leadership of Bosun Jeff Martinez. From the left, beginning with the front row: 3m Kate McKenna, CH Cook Olivia Macafe, 2M Shaina Pearl, EO Britt Ekram: Captain Ford, AB Purganan, OS Barber, SK Curtis, CM Daia, AB Andreassen, SA Newton, Bosun Martinez ,OS Dulay, Stwd Jackson, SA Ayed, Navy Mato, OS Gault, AB Mcroskey, Wiper Varnau, AB Ross, CE Wolff, 3AE Ehret, 3AE McMahon, 1AE Donovan



## ESU Office Assignments

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



DECEMBER 2015

Official Publication of the Exxon Seamen's Union

## Four ESU members retire

Over the past month four long time ESU members have elected to retire from SeaRiver Maritime, Inc.:



**Pumpman Ray Parchmon** chose to retire with over 36 years of company service effective December 11, 2015. Ray began his career with Exxon Shipping Company as Pumpman aboard Exxon Lexington in June of 1979. Ray's prior service with other shipping companies and Pumpman experience enabled him to sail in that position throughout the tenure of his career. Ray was also a strong supporter of the ESU and served as Ship Representative aboard the *SR Charleston*. Ray will retire in the Tampa, FL area and looks to continue his time on the water after he finds a suitable but smaller boat than he accustomed too.

**Able Seaman Allen Bostwick** elected to retire on November 14, 2015 with over 15 years of company service. Allen began his employment with SeaRiver Maritime, Inc as a Maintenance Seaman on July 16, 2000 and his first ship with SeaRiver was aboard the specialty trader the *SR Wilmington*. Allen's immediate plans for retirement include using his free time to remodel his home in North Carolina.



**Cook Danny Breaux** retired on November 16, 2015 with 15 years of company service. Danny began his career with SeaRiver Maritime in November 2000 aboard the *SR Mediterranean*. Danny has been busy during his retirement building a new pavilion at his camp located near his home in Bridge City, TX. Danny, an outdoors enthusiast and hunter, is also looking forward to visiting his good friend Will Ackley to help minimize his wild pig problem at his farm.



**QMED-Oiler Jonathan Blackwell** retired on November 16, 2015, with over 43 years of combined company service from SeaRiver and multiple branches of Mobil Oil Corp. Jonathan started his career in 1972 and sailed on many ships in Mobil's fleet and his personal expertise led to him being promoted to the position of QMED-Oiler. He sailed in that capacity for many years and was assigned to the *American Progress* when the vessel entered service for Mobil Corp. Jonathan joined the SeaRiver fleet in June of 2000 when the *American Progress* became a part of SeaRiver as a result of the ExxonMobil merger.



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

## Darren Woods elected President of Exxon Mobil Corporation

Darren W. Woods has been elected president of Exxon Mobil Corporation and a member of the board of directors, effective Jan. 1, 2016. The election of Woods, who is currently senior vice president of the corporation, was made during a meeting of the ExxonMobil board of directors on December 9, 2015.

The elevation of Woods, who oversees Exxon's global network of oil refineries and fuel terminals, signals an apparent end to the internal competition with production chief Jack Williams to replace Rex Tillerson upon his retirement sometime between now and March 2017. Tillerson will reach Exxon's mandatory retirement age of 65 in March 2017 and continues his position of chairman of the board and chief executive officer of the corporation.

Woods, 50, was elected to his current position of senior vice president and a member of the management committee of the corporation June 1, 2014. A native of Wichita, Kansas, Woods earned a bachelor's degree in electrical engineering from Texas A&M University and a master's degree in business administration from Northwestern University's Kellogg School of Management.

He joined Exxon Company International in 1992 as a planning analyst. He held a number of domestic and international assignments for ExxonMobil Refining & Supply Company, ExxonMobil Chemical Company and Exxon Company International, and he served as manager of investor relations for Exxon Mobil Corporation.

Woods held positions as vice president of supply and transportation and director of refining for Europe, Africa and the Middle East for ExxonMobil Refining & Supply Company and vice president of ExxonMobil Chemical Company.

In 2012, he was appointed president of ExxonMobil Refining & Supply Company and a vice president of the corporation. During Mr. Woods tenure with Refining & Supply he and his wife Kathy (vessel sponsor) attended the naming ceremony of the Liberty Bay in Philadelphia in 2014.

## AMEU, Polar 2016 wage reopener

On November 24, the Atlantic Maritime Employees Union and Polar Tankers, Inc. (ConocoPhillips) reached a tentative wage reopener deal pending membership approval. The wage reopener agreement is for the 4th year of their 5 year Contract and calls for a 0.0% wage increase effective March 1, 2016 (except for the AB Seamen and Cook/Baker overtime rates).

The overtime rate for the AB Seamen and Cook/Baker will increase to the same rate as the Oiler rating (\$24.17). If ratified by December 31, 2015, all employees (excludes AB Seamen and Cook/Baker) will receive a ratification payment of \$2,000

payable at the new contract term.

In addition to the ratification bonus paid next year, Polar Tankers employees also receive an additional bonus through ConocoPhillips' corporate VCIP bonus award program. These bonus payment in recent years have often been double digit of annual W-2 wages.

These annual bonus payments amount to significant payouts and have been paid consistently in addition to their contractual pay increases. Incidentally, the world's largest integrated oil company, ExxonMobil, does not provide a bonus program to its blue-collar workers

## Ship reports

### S/R American Progress

ESU Board officer John Straley visited the vessel at ExxonMobil in Beaumont, Texas on December 13. Regular Ship Representative Mike Harrison aboard and reports all is well. Prior to docking at ExxonMobil the *Progress* docked at a lay berth in Beaumont for deck grating work for exterior catwalks. After loading mogas the ship was scheduled to discharge in Tampa and Port Everglades. Next load port is again scheduled for Beaumont around the 25th.

### Eagle Bay

John Straley visited the vessel at anchorage 9 in San Francisco on December 11. Vessel was storing and between split discharges between Chevron Richmond and Valero Benicia. Regular Ship Representative Thor Floreen was departing for paid leave but reported everything was going well on the *Eagle*. John McCarthy filling in with the Ship Rep. duties. After San Francisco, the vessel is scheduled to make a couple of trips south to Long Beach, California.

### Liberty Bay

John Straley visited the vessel at Tesoro 121 in Long Beach on December 5. After discharge the ship anchored in Long Beach for regularly scheduled engine maintenance. Regular Ship Rep. Joe Buffington aboard and reports everything going fairly smooth. Discussion on a couple of Deck Department issues that were addressed on the vessel. Upcoming schedule for the *Liberty* includes trips into the San Francisco Bay Area and splits between the Puget Sound and the Bay Area.

## Board Member at Large

ESU Board Member at Large and Fleet Chef, Don Picou, in the galley aboard the *SR American Progress*. Don's position aboard ship is one of our most important especially during the holidays. He's doing a great job of taking care of crew and keeping them well fed with his "top notch" menus. Don is a third generation ESU member, his father Guy Picou and grandfather Francis Picou, both Pumpman with ESSO and Exxon Shipping Company were also devoted members of the Exxon Seamen's Union.



## EXXON SEAMEN'S UNION

Founded March 28, 1941

Affiliated with the Sailors' Union of the Pacific

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Vice President/Treasurer Leo DeCastro

Board Member at Large Don Picou

Board Member at Large Ein Cooley

Deck Trustee Jeffrey Harris

Engine Trustee William Ackley

Steward Trustee Joel Mitchell

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



# Another plus for coffee

More good news on coffee: a large study has found that drinking coffee is associated with a reduced risk of dying from heart disease and certain other causes.

Researchers followed more than 200,000 doctors and nurses for up to 30 years. The participants had periodic physical examinations and completed questionnaires on diet and behavior, including their coffee habits. The study is in *Circulation*.

Compared with abstainers, nonsmokers who drank a cup of coffee a day had a 6% reduced risk of death, one to three cups an 8% reduced risk, three to five cups a 15% reduced risk, and more than five cups a 12% reduced risk.

There was little difference whether they drank caffeinated or decaffeinated coffee. The association persisted after controlling for age, alcohol consumption, BMI and other health and diet factors.

Coffee drinking was linked to a reduced risk of death from heart disease, stroke, diabetes, neurological diseases and suicide, although not from cancer.

The association was not apparent in smokers, probably because death from smoking-related causes overwhelms the positive effect of coffee drinking.

While the findings are encouraging, the lead author, Dr. Ming Ding, of the Harvard School of Public Health, cautioned, “Our study is observational, so it’s hard to know if the positive effect is casual or not.”

# TV may be bad for your brain

Watching television may be bad for your brain, a new study suggests.

Researchers followed 3,274 people whose average age was 25 at the start of the study for 25 years, using questionnaires every five years to collect data on their physical activity and TV watching habits.

At year 25, they administered three tests that measured various aspects of mental acuity.

The highest level of TV watching – more than three hours a day most days– was associated with poor performance on all three tests. Compared with those who watched TV the least, those who watched the most had one-and-a-half to two times the odds of poor performance on the tests. Those with the lowest levels of physical activity and the highest levels of TV watching were the most likely to have poor test results.

The authors acknowledge that their findings, published in *JAMA Psychiatry*, depend on self-reports, and that they had no baseline tests of cognitive function for comparison.

“We can’t separate out what is going on with the TV watching,” said the lead author, D. Kristine Yaffe, a professor of psychiatry and neurology at the University of California, San Francisco. “Is it just the inactivity, or is there something about watching TV that’s the opposite of cognitive stimulation?”

# Southeast Asian piracy lower due to crackdowns

Piracy in Southeast Asia appears to be subsiding due to recent crackdowns, according to the latest report from the International Maritime Bureau (IMB) Piracy Reporting Center (PRC).

The IMB reports that there were only two hijackings reported in the third quarter of 2015, with arrests and prosecutions of tanker hijacking gangs by the Indonesian and Malaysian authorities taking effect.

The IMB noted 190 incidents of piracy and armed robbery against ships worldwide for the first nine months of the calendar year. The highest number of which were located in Indonesia and Vietnam.

However, the IMB cautioned against complacency, and also warned that the number of attacks in West Africa’s Gulf of Guinea could be considerably higher than reported.

IMB also reported that there have been no incidents this year in the former piracy hot spots off Somalia or in the Gulf of Aden, although suspected Somali pirates continue to hold 29 crew members hostage.

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.

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U.S. \$25; International \$50 per year  
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**San Francisco CA 94105**

## Welfare Notes

December 2015



*The SUP Welfare Plan*  
*Wishes You a Happy and Healthy*  
*Holiday Season*

*Michelle Chang-Administrator*  
*Patty Martin*  
*Michael Jacyna*  
*Virginia Briggs*  
*Wilma Alday*  
*Berit Eriksson*

SUP Welfare Plan Telephone: 415-778-5490 or 1-800-796-8003

## How to navigate by the stars

By Malia Wollan

“Use the stars to find the four cardinal directions,” says Chadd Onohi Paishon, a master navigator with the Polynesian Voyaging Society who steers double-hulled canoes from Hawai’i to Tahiti and beyond without any instruments or charts. Paishon doesn’t know how to use a GPS device or a magnetic compass, but he can orient himself on land or sea with a glance at the heavens. Determine north by finding the North Star, which does not set when you’re north of the Equator. As seafarers have done for millennia, you can determine about how many miles north of the Equator you are by measuring the distance between the North Star and the horizon. To do this, stretch out your arm. For most, one fist equals approximately 10 degrees; latitudinal degrees each represent about 69 miles. The farther north you go, the higher the star looks in the sky. South of the Equator, you won’t see the North Star but must rely on a constellation called the Southern Cross to help you find south.

As the earth rotates, all the other stars seem to be circling these celestial poles, rising in the east and setting in the west. Look for these other stars at the horizon, not straight above you. “A star at its zenith is not very useful for navigation,” Paishon says. The view is best often clear, without much ambient light between 2:00 A.M. and 5:00 A.M. Paishon often telephones the four other master navigators on the Hawaiian Islands during those hours, knowing they, too, may be out stargazing. Still, don’t forget the stars during the day. When the sun is out, Paishon imagines their approximate position in a dark sky visible on the other side of the globe. This mental tracking will make you better at predicting the stars’ whereabouts and, by extension, your own. “You should know exactly where in the sky to expect a star to rise,” Paishon says.

Wayfinding via celestial bodies is probably most useful on open water, but they’re good for more commonplace positioning too. Whenever he leaves Hawai’i, Paishon feels unsettled until he sees the night sky and can pinpoint the exact direction back to the Big Island. “Stars are my friends,” Paishon says. “When they show up, I’m like: ‘Hey, how have you been? What have you been up to?’”

Reprinted from *The New York Times Magazine*, November 29.

## Northwest seaport alliance posts cargo volume gains

The Northwest Seaport Alliance, consisting of the Ports of Seattle and Tacoma, reported that container volumes surpassed the three million mark for the calendar year, a 5% increase on a year-over-year basis.

Containerized exports fueled the growth, posting a 9% gain over October 2014, while import volumes declined slightly, signaling the end of the peak shipping season when retailers increase inventories ahead of the holiday shopping season.

Through the first 10 months of the year, imports rose four percent to 1,208,091 TEUs, and exports grew 9% to 1,102,194 TEUs. Domestic volumes to Alaska and Hawai’i remained flat, up 1% to 748,769 TEUs.

Auto imports also continued to post gains in October –up more than 6% year-to-date to 154,291 units– as the 2016 models began arriving. Meanwhile, year-to-date breakbulk cargo volumes and grain, log, petroleum and molasses exports continue to be impacted by a weaker export market.



# TransPacific carriers to push steep rate hikes

Demonstrating just how desperate carriers are to increase freight rates in a market plagued by overcapacity, the Transpacific Stabilization Agreement (TSA) on November 20, announced the intention of lines in the eastbound Pacific to set a minimum rate of “at least \$950 per 40-foot container to the West Coast,” effective December 1. Last year at this time, from Shanghai to the West Coast was \$2,090 per FEU, according to the Shanghai Containerized Freight Index.

TSA, a research and discussion forum representing 15 of the largest carriers in the eastbound trade from Asia to both U.S. coasts, called for a phased approach to freight rate increases in what is expected to be a difficult 2016-17 shipping season. TSA said that in the coming year it predicts a container freight market “challenged by volatility and facing the prospect of further consolidation.”

In its announcement, TSA recommended phased adjustments to minimum rates across the board. Also, recognizing how giveaways to cargo interests are eating away at carrier profitability, TSA recommended adjustments to absorption of chassis costs and free-time allowances for container storage.

The program began on December 1, as lines will seek to restore the lowest current market rate levels to at least \$950 per FEU to the West Coast, \$1,700 per FEU to the East and Gulf Coasts and \$2,950 per FEU for intermodal rail moves to key Chicago-area inland point destinations.

On January 1, the intention is to file a general tariff rate increase of \$1,200 per FEU to the West Coast and \$1,600 to the East and Gulf Coasts. “Carriers say their objective is to establish more compensatory baseline revenue levels as they head into service contract negotiations, and in advance of the Lunar New Year holiday in Asia that begins in early February,” TSA stated.

In the past, carriers defined compensatory rates as at least \$2,000 per FEU to the West Coast and \$3,000 to the East Coast. However, carriers have added so much capacity to their global fleets that they have been unable to exert self-discipline to charge even break-even rates. By contrast, when space is tight or delays at ports are rampant, spot rates shoot up. Last year at this time, when ports on both coasts were congested as a result of cargo diversion and labor strife during contract negotiations between the International Longshore and Warehouse Union and the Pacific Maritime Association, the spot rate to the West Coast was \$2,090 and to the East Coast \$4,190 per FEU.

Looking ahead to the 2016-17 service contract season, which for many customers begins on May 1, TSA lines are recommending longer-term minimum rates of \$1,700 per FEU to the West Coast and \$2,900 per FEU to the East and Gulf coasts.

Carriers next year also intend to change long-held practices in which they absorb various charges on behalf of retailers and other large importers. “The contract program will include adjustments to non-rate charges and practices in areas such as absorption of chassis costs, free-time allowances, port and rail demurrage charges, equipment detention and per diem, full recovery of current and projected trucking costs, intermodal pricing, credit and contract boilerplate terms,” TSA stated.

Brian Conrad, TSA executive administrator, said carriers have learned over time that absorbing those charges ends up costing them dearly. Equally as important, practices such as allowing equipment to remain on the docks for days on end erodes terminal productivity and contributes to overall port congestion. “Addressing these non-rate items will also help to improve equipment velocity and availability toward a more efficient and robust supply chain,” Conrad said.

Finally, carriers intend to address developments in Asia arising from the flood of mega-ships into their fleets, and the fact that these large vessels call at fewer ports. “Lines will be closely reviewing their schedules of feeder port add-ons in light of rising costs, and will make specific adjustments to those add-ons as warranted in upcoming contracts,” TSA stated.

Nevertheless, TSA is simply a discussion agreement among the carriers. It has no enforcement powers, and as a result, its voluntary guidelines are often superseded by supply-demand economics. For example, spot rates this week on the Shanghai Containerized Freight Index tumbled to the lowest of the year. The rates of \$922 to the West Coast and \$1,688 to the East Coast were 57% to 60% lower than in the same week last year.

# Somali pirate fears escalate as fishing vessel captured

Somali pirates have hijacked an Iranian fishing vessel with 15 crew members, according to a Somali official, amid warnings that piracy might be making a comeback in the Indian Ocean.

Piracy near Somalia’s coast had largely subsided in the past three years, mainly due to shipping firms hiring private security details and the presence of international warships.

The Iranian ship was taken on November 22, in waters off northern Somali city of Eyl, said Abdirizak Mohamed Dirir, director of the anti-piracy and seaport ministry in Puntland, a semi-autonomous region in Somalia. John Steed, East Africa region manager for the Oceans Beyond Piracy group, confirmed the hijacking and said the vessel was called *Muhammidi*.

Two other Iranian fishing ships were captured by suspected pirates in March. The 16 crew from one boat managed to raise anchor and escape in August, but the other ship and 26 crew remain in captivity.

Steed said there were three other unsuccessful sea attacks by Somali pirates in November. “This indicates that the level of illegal fishing is bringing the threat of return of Somali piracy ever closer,” added Steed.

# Wealthy elite aim to silence working people via *Friedrichs*

*By J. David Cox*

“The Supreme Court will hear arguments soon in a case that could undermine the rights of working people to negotiate collectively for better wages, benefits and working conditions.

Every working person should care about this case, even if it doesn’t personally affect you. This legal battle is just the latest in a series of attempts by wealthy conservative groups to dismantle every program, service, or law that benefits working people. A win for the Koch Brothers here will make it that much harder to fight the next battle.

The case at issue is called *Friedrichs v. California Teachers Association*. It’s an attempt by anti-worker groups to overturn a nearly 40-year-old Supreme Court decision that affirmed the constitutional right of public sector Unions to collect fees from employees who choose not to join the Union but nonetheless benefit from all of the protections that the Union negotiates.

Here’s why that matters. We are living in a time where America’s economy has swung out of balance. Everyday Americans are working more than ever, but the only ones benefiting are those at the top of the economic ladder. It’s getting harder for working people to get by, let alone get ahead.

Unions are one of the few groups advocating for the interest of working people. If we make it harder for Unions to do their job, working people will lose a major ally in the fight to build an economy that works for everyone, not just the richest 1 percent.

Teachers, firefighters, nurses and other public sector workers deserve to have advocates fighting on their behalf for better working conditions. Improving their jobs makes it easier for them to deliver quality services to the public.

If we silence the voice of working people at the job site, our public services will suffer and our communities will suffer as a result.

The Supreme Court must reject this attempt by wealthy special interests to make it even harder for working people to come together, speak up for one another, and get ahead.”

*J. David Cox is national president of the American Federation of Government Employees, which represents more than 670,000 federal and D.C. government employees nationwide. This column, which originally appeared online at Huffington Post, was posted at The Stand, an online publication from Washington State, on November 24, with the author’s permission.*

# Nicaragua canal construction start delayed to late 2016

Construction on the \$50 billion Nicaragua canal has been delayed again and work will not begin until late 2016, according to the HKND Group, the Chinese company with exclusive rights to build and operate the waterway.

The latest setback comes just weeks after HKND’s environmental and social impact assessment received the green light from the Nicaraguan government. While the Hong Kong-based developer did not give a reason for the delay, it said in a statement that “the current design was being fine-tuned”, and construction locks and excavations would start toward the end of 2016.

Work on the 172-mile canal was originally scheduled to begin in early 2014, but was pushed back to the start of 2015 because of difficulties in identifying the waterway’s path. Nicaraguan authorities have approved the route but before construction on the five-year project starts, it will require solicitation of bidding briefs for dredging, excavation, the locks, and two new ports.

The proposed route of the canal has led to angry protests by villagers in its path. In August, HKND was forced to change the route to bypass one of the towns opposed to its construction, even though such an alteration would add \$700 million to the cost of the project.

But the latest construction delay is sure to raise even more doubt as to the viability of the immense project that has yet to name any investors. China telecommunications billionaire and HKND Chairman and Chief Executive Wang Jing is reportedly using his personal fortune

to help finance the project, but the equity slump in China has hit the entrepreneur in the pocket. Bloomberg listed Wang as having a net worth of \$10.2 billion in June, but the Chinese stock market has tumbled since then and Wang’s net worth had fallen 84% to \$1.1 billion by October. While Wang’s fortune shrinks, the estimated \$50 billion cost of the canal is expected to swell past \$70 billion because of the enormous undertaking required to construct the waterway.

Panama Canal Authority CEO Jorge Quijano said earlier this year that it was possible for Nicaragua and its Hong Kong backer to build a rival canal in five years, but it was not a “feasible investment from a private investment standpoint”. Considering it would have to “share” traffic with the Panama Canal and could cost as much as \$70 billion, the returns to investors would be scant unless the planned Nicaragua Canal was subsidized by “another country,” he said, hinting to suspicions that China is backing the project as a geopolitical play. Beijing has denied it is involved in the project and HKND said it will be funded by the group and by private investors.

Nicaragua’s government has long claimed that an economic feasibility study by blue-chip U.S. consultancy McKinsey & Co is crucial to enticing Western investors. However, it has been confirmed that McKinsey has not worked on the Nicaragua Canal project since 2014, raising new questions about the Nicaraguan government’s public statements as well as the project’s chances of attracting Western investors.

SUP MEMBERS: VOTE IN YOUR ELECTION!  
BALLOTS ARE DUE BY JANUARY 31.





# SUP President's Report

December 14, 2015

## AMERICAN PRESIDENT LINES

### Neptune Orient Lines

On December 7, Neptune Orient Lines (NOL), the parent company of APL announced that the French shipping company CMA CGM has agreed to buy NOL for \$2.4 billion in cash. NOL's majority shareholders, the Singapore's sovereign wealth fund Temasek and its affiliates, have agreed to the offer.

The acquisition is subject to approval by U.S., European and Chinese regulators.

A bright spot is that CMA CGM stated that it is its intention to operate APL's U.S.-flag vessels. More information will be in this month's *West Coast Sailors*.

### APL Guam

As reported last month, the SUP, MFOW, MEBA and MM&P were notified by APL Maritime Ltd.'s President and CEO Eric Mensing that the Maritime Security Program (MSP) operating agreement covering the *APL Cyprine* was going to be assumed by the *APL Guam*. Mensing stated that the *Guam* would be operated by APL Maritime Ltd's subsidiary Osprey Ship Management which has collective bargaining agreements with the SIU-A&G and the AMO.

It should be noted that the SUP, MFOW, MEBA and MM&P have collective bargaining agreements with APL Marine Services, another subsidiary of APL Maritime Ltd.

On November 6, (see last month's *West Coast Sailors*) the Unions wrote to Mensing protesting the company's decision and requesting expedited arbitration. The company responded on November 9, disagreeing with the claims of the affected Unions but agreeing to arbitration. After receiving APL's communication, the SUP, MFOW, MEBA and MM&P filed unfair labor practice charges with the National Labor Relations Board (NLRB). The NLRB contacted and interviewed MFOW President Anthony Poplawski and your secretary on December 8.

The arbitration hearing took place in Washington, D.C. on December 10, and 11, before arbitrator Margaret Brogan.

The SUP and MFOW were represented by Peter Saltzman of the Leonard Carder law firm, the MEBA by Mark Murphy of the Mooney & Green law firm and MM&P by Gabriel Terrasa of the Terrasa & Stair law firm. APL was represented by the Union-busting law firm of San Francisco-based Littler Mendelson.

The issue to be arbitrated was: "Did APL violate the relevant provisions of the SUP, MFOW, MEBA and MM&P collective bargaining agreements when it refused to crew the *APL Guam* with employees represented by the Unions? If so, what shall be the remedy?"

At the outset of the hearing the Unions stated that they had been aboard APL's MSP vessels since 1997, including the period from 1997 through 2005 when American Ship Management operated the vessels. And again, continuously, from 2005 to the present when APL operated the vessels themselves.

The Unions recounted the occasions when an MSP vessel was reflagged and its operating agreement transferred to another vessel starting when the *President Kennedy* was replaced by the *APL China* in 2003. Followed by the *Presidents Adams, Jackson, Polk* and *Truman* being replaced by the *APL Coral, APL Cyprine, APL Pearl* and *APL Agate* in 2012. All were crewed by the SUP, MFOW, MEBA and MM&P.

Just prior to their enrollment in MSP, each of these four ships had been used in APL's Suez Express Service between the East Coast and the Middle East, two of them (*APL Coral* and *APL Agate*) were already crewed by the SUP, MFOW, MEBA and MM&P, and thus required no change of crew when they were enrolled in MSP. The two other ships (*APL Coral* and *APL Cyprine*) had been managed by Osprey with SIU-A&G and AMO crews. Those crews were relieved by crews represented by the SUP, MFOW, MEBA and MM&P when the ships were enrolled in MSP.

The last change to the APL MSP fleet occurred in April 2015, when the *APL Pearl* was put under foreign flag and replaced by the *APL Belgium*, that, like the *APL Coral* and *APL Agate*, already carried crew represented by the Unions, and thus no change of crew was required when it was enrolled in the program.

As each of the four Unions proceeded to show during the course of the arbitration, the relevant provisions of the respective collective bargaining agreements unambiguously cover all work in the deck and engine departments, both licensed and unlicensed, on board APL vessels enrolled in the MSP program. Under those provisions, as well as under the unbroken practice outlined above, the Unions contend the company is required to crew the *APL Guam* under its contracts with the Unions. As a remedy, the Unions seek an award covering the *APL Guam*, under their respective collective bargaining agreements, and immediately changing its crew in accordance with those agreements. Additionally, the Unions seek an award making their members whole for any losses suffered as a result of the transfer of bargaining unit work to Osprey, including all relevant contributions to the respective benefit plans.

To amplify the Union position, testimony was taken from James Caponiti, President of the MEBA-affiliated American Maritime Congress; David Boatner, MM&P's Pacific Coast Vice President; Mark Gallagher, MEBA Contracts Representative; and your secretary.

APL's position was simply that the Unions had no exclusive right to the company's MSP vessels and that it had the right to operate those vessels under any corporate affiliate that suited them. It also claimed that the *APL Guam* was not a replacement vessel for the *APL Cyprine* which was flagged foreign on December 3.

Testifying for APL were John Dragone, Director of Labor Relations, and Tim Windle, former General Counsel for APL.

Under questioning by the Union attorneys, it became clear that the management of APL Ltd/Osprey and APL Maritime Services are one in the same. It also was clear that APL began to consider a Guam-Saipan-Japan service as early as 2007 and finalized that decision in February of this year. The company also decided that the Guam service vessel would commence when an MSP operating agreement became available. So when the *Cyprine* was reflagged, the *APL Guam* was in fact, according to the company's own testimony, its replacement.

Even more damning testimony was that the company wanted Osprey to operate the *APL Coral* and *APL Cyprine* when they were enrolled in MSP in 2012 but hesitated to do so because of provisions in place at that time in the Maritime Security Act.

It is apparent, given the arbitration, that it is APL's goal to dump the SUP, MFOW, MEBA and MM&P. If APL prevails that could ultimately be the result. It must be noted that Maritime Administration is a party to APL's corporate shell game as it approved the transfer of the *APL Cyprine's* MSP operating agreement from APL Marine Services to APL Maritime Ltd. for the *APL Guam* on October 27.

The decision of the arbitrator is due in late January. Will keep all hands fully informed.

## MATSON NAVIGATION COMPANY

As reported last month, the SUP and MFOW filed National Labor Relations Board charges against Matson regarding its Alaska service. Since that time, there have been no new developments.

## SAN FRANCISCO BAR PILOTS

The Agreements covering marine personnel and dispatchers employed by the San Francisco Bar Pilots expire on December 31. The SUP notified the Pilots on October 22, of the Union's desire to negotiate new contracts.

However, on November 20, Captain Peter McIsaac, Port Agent for the Pilots, wrote to your secretary requesting that both Agreements be extended until the end of 2016 due to a significant drop in revenue.

Captain McIsaac stated that in the first quarter of this year, the Pilots suffered a \$2 million loss of revenue due to protracted longshore negotiations. Since then, pilotage revenues have been consistently below 2014 levels. Between 2006 and 2014, the cost to the Pilots of providing pilot services increased by 33%. Meanwhile, gross revenues dipped as much as 16% from their 2006 high, ending up only 1.3% higher in 2014 than nine years ago.

Captain McIsaac added that currently ship movements are flat, at about 8,300 vessels annualized, and GRT (Gross Registered Tonnage), the largest component to pilotage revenue, is down from last year.

On November 24, caucused at Pier 9 with the majority of the membership employed by the Pilots. It was the consensus of all, that bargaining should be deferred for a year, but with the understanding that the Pilots will continue to contribute what is necessary to fund benefits provided by the SUP Welfare Plan and continue to properly fund Marine Employees Pension Plan which provides the same benefit as the SIU-Pacific Pension Plan.

Accordingly, signed a Memorandum of Understanding on November 25, extending the SUP Agreements with the Pilots until December 31, 2016, subject to general membership approval.

## FOSS MARITIME COMPANY

The current collective bargaining agreement between Foss and the SUP covering the company's San Francisco Bay bunkering operation expires on February 29, 2016.

On December 8, the Union notified the company of its desire to amend the existing Agreement suggesting that negotiations commence in February. Prior to that, will caucus with members employed by Foss to formulate bargaining proposals.

## PATRIOT CONTRACT SERVICES

On December 3, the Union was notified by Patriot that the frequency of Military Sealift Command (MSC) physical exams have been revised.

Mariners less than 50 years old will need an MSC physical every five years. Mariners over 50 are required to take a physical every two years.

## CALIFORNIA LABOR FEDERATION, AFL-CIO

As a Vice President of the California Labor Federation, AFL-CIO, attended an Executive Council meeting on December 3, in Oakland.

Issues discussed were those that affect working people in California with a focus on the so-called "service economy" (Uber, etc.) that undermine wages and working conditions. And the attack on public employee Unions via the pending Supreme Court hearing on whether non-Union members of the California Teachers Association (CTA) are obligated to pay agency fees instead of dues for collective bargaining purposes.

Also discussed was the Federation's aggressive legislative program for the coming year.

## HOLIDAYS

### Christmas

SUP halls in Seattle, San Francisco and Wilmington, will be closed on Christmas Eve, Thursday, December 24. Christmas Eve is a mainland ILWU holiday and therefore, a recognized holiday under the SUP agreements with APL and Matson. It is a holiday for vessels in Pacific Coast ports on that day and for those working under the shore side maintenance agreements. It is also a holiday for those working on S.F. Bar Pilot run boat crews and the Dock Bosun.

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

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



## SUP President’s Report continued

### New Year’s

All SUP halls in Seattle, San Francisco and Wilmington, will be closed on New Year’s Eve, Thursday, December 31, an ILWU and ILA holiday. New Year’s Eve is not an ILWU holiday in Hawai’i, however, the Honolulu Branch will close at noon. It is also a holiday under S.F. Bar Pilots agreement.

All SUP halls will be closed on New Year’s Day, Friday, January 1, 2016.

### Jack Hall Day

The Honolulu Branch will be closed Monday, January 4, in observance of Jack Hall Day, an ILWU Local 142 holiday. It is a holiday for vessels in Hawai’i ports and for those working under the shoreside maintenance agreements.

### Martin Luther King, Jr.’s Birthday

All SUP halls will be closed on Monday, January 18. This is a holiday under all SUP contracts except Foss Maritime Company. Due to the holiday, the Branch meetings will be held on Tuesday, January 19.

## ACTION TAKEN

M/S to approve the MOU with the San Francisco Bar Pilots extending the agreements for dispatchers and marine personnel. Carried unanimously.

M/S to concur with the balance of the President’s report. Carried unanimously.

## Donations help a rusting *United States* fend off the scrapyard



For now, at least, the next port of call for the *S.S. United States* –the fastest ocean-liner ever built– will not be the scrapyard, thanks to an outpouring of donations from ship lovers around the world.

Last month the preservationists who own the vessel faced a nightmare: Short of cash, they had been forced to seek bids from scrappers. Complicating matters, it was not even certain that the scrappers would be enthusiastic, given the decline in global commodities prices. But in recent weeks, the ship’s existential crisis attracted donors from around the world who have contributed more than \$600,000, buying time for the preservationist group, the *S.S. United States Conservancy*, to press ahead with a plan to redevelop the vessel.

The donations –including an anonymous gift of \$250,000– will cover the cost of caring for the ship “well into next year,” said Susan Gibbs, the conservancy’s executive director.

The conservancy received three offers to melt down the vessel, but on Monday its board voted unanimously to reject those bids. The ship has particular value as scrap metal because, according to naval historians, it contains more aluminum than any structure built before the World Trade Center.

The former luxury liner is docked in the Delaware River in Philadelphia. It has not moved under its own power for decades. But half a century ago, it dominated passenger service on the high seas between New York City and Europe. The ship was so powerful that during the Cold War, its top speed was a state secret.

In a statement, the anonymous donor said that scrapping the ship would be “like letting the Statue of Liberty be melted down and turned into pennies.”

The conservancy has also received two \$100,000 gifts, including one from Richard O’Leary, who as a young man served

as the ship’s navigator for five years during the mid century glory days. On its first crossing, in the 1950s, the *S.S. United States* set a trans-Atlantic speed record that still stands.

Ultimately, jet travel put an end to the need for the luxury liners. Mr. O’Leary recalled watching the sky from the ship’s bridge back in the early 1960s when he was part of the crew. “I’d see these contrails up there, and

I realized, things are changing,” he said.

A separate \$100,000 gift to the conservancy was made by Jim Pollin, who during an earlier financial crisis had given the conservancy \$250,000 to save one of the ship’s once-top-secret propellers from being sold for scrap.

Pollin became interested in the ship by chance a few years ago when he spotted it from the deck of another vessel on the Delaware River. “I looked up, and I saw the ship,” he said, “And I said, ‘My God!’”

Taken together, the latest contributions are not enough to secure the ship for the long term. Monthly docking, insurance and caretaker costs total at \$60,000.

“People can do the math,” Gibbs said.

But the recent crisis accelerated redevelopment plans, she said, including the prospect of bringing the ship back to New York as part of a waterfront real estate development. conservancy is working with developers after identifying two sites in New York that could accommodate the ship.

The conservancy also received “several new overtures” in recent weeks from prospective investors who started conducting visits to the ship with engineers and architects. “It’s fair to there is a renewed momentum,” Gibbs said.

In 2011, the conservancy bought ship for \$3 million from the cruise operator NCL Group, which was taking bids from scrapyards at the time. NCL dropped its plan to put the ship back in service as a cruise liner around Hawai’i.

Over the years, the conservancy met with developers and investors in New York, Miami, Philadelphia, Boston, Baltimore and Port Canaveral in Florida, looking for ways to convert the ship into a stationary, mixed-use real estate project and museum complex with hotels, restaurants or other amenities.

## Vice President’s Report

December 2015

**Moku Pahu:** Saher Ali, bosun. Clarification on shift ship minimums and restriction to ship. Now under Patriot management with few problems.

**APL Agate:** Cody Clark, delegate. Clarification on restriction, delayed sailing, and payroll procedures in cases of overpayment. Bosun Norm Christianson keeping this ship in good shape despite the pressures of the short voyages in the Asian loop.

**APL Thailand:** Rolando Mendoza, bosun. Clarification on engine room work and trip off procedure.

**Matsonia:** Delegate to be elected at sea. Crewed up in Oakland to fill in for *Lihue* which is headed to a Chinese shipyard. Bosun Teo Rojas running the gang. With this breakout every Matson ship except the *Lurline* is in service.

**Manoa:** Steve Swinton, delegate. Ship lost 12 containers in the pilot area off the Golden Gate just before pilot disembarkation. Matson standby bosun Mike Smith and a crew of nine AB’s worked in wind and rain for a week to clean Baker Beach of flotsam from both submerged and beached containers.

**USNS Red Cloud:** Nestor Pascual, bosun. Boarded in RAV status in Bayonne, New Jersey shipyard and met with bosun and captain. As the single member of the deck gang in the yard, the bosun has his hands full. He organized the paint and bosun’s locker, serviced and accounted for all the ship’s equipment such as lashings, forklifts, pilot ladders and life rings. He cleaned, primed and painted the decks, repaired things broken and responded alone to every necessity. All L.A. crew joining on or about January 7 for re-deployment overseas.

**USNS Gordon:** Diomedes Rebosura, delegate. Boarded in Baltimore just before Thanksgiving and along with *Gilliland* crew held a Union meeting on topics covered in the November meetings including the most recent developments at Patriot, APL and Matson. Maintenance overtime is not a problem in these ships. See picture on page 3.

**USNS Dahl:** Saul Townsend, delegate. SUP, MFOW, MMP and MEBA members in this ship and Soderman organized donations of toys and cash in excess of \$3000 to assist the Guma Esperanza women’s shelter currently helping over 200 families and 150 children during the holiday season.

**San Francisco Bar Pilots:** Mike Koller, delegate. In one of the first storms of the El Nino winter, the station boat *California* captain Mark Hargus dodged containers lost overboard, from the *Maui*, in the snap rolls of a moderate swell while working this ship. The disembarking pilot, Captain David Wainwright, praised the *California* crew for their cool professionalism navigating a rare hazard.

**Foss Maritime Company:** JD Rymel, Tom Tynan, Ed Chilbert, delegates. Steady tankerman position posted in accordance with Section 25.08 and awarded to Kelly Johnson based on seniority and qualifications to replace retiring Stewart Putzke. Noticed management on new contract bargaining early next year: please send any proposals for changes to the Foss Negotiating Committee here at SUP Headquarters.

## Wilmington celebrates the holidays



*SUP Wilmington Branch Agent Mark Hurley and MFOW Port Agent “Sonny” Gage flank Congresswoman Janice Hahn who made a surprise visit to the event and was warmly received.*



# SUP Branch Reports

## Seattle

November 16, 2015

Shipped: 1 Boatswain return; 7 Able Seaman jobs shipped and filled with 2 A-cards, 3 B's, 1 C and 1 D registrant. 1 Ordinary Seaman to a Navy bottom; 14 standbys to 4 A-cards, 5 B, 3 D and 1 MFU member.

Registered: 5 A cards for a total of 22; 9 B cards for a total of 31; and 8 C cards for a total of 15.

### Ships Checked

Matson vessels *MV Manoa* and *SS Maui* called twice in Seattle with little or no problems. The *APL Cyprine*, *APL Korea* and *APL Philippines* called for SUP/MFU crew replacements. And the Patriot vessels *USNS Dahl*; *USNS Pomeroy*; *USNS Charlton*; *USNS Shugart*; *USNS Soderman* and the *USNS Watkins* all called Seattle for SUP/MFOW crew replacements.

I represented the SUP/MFOW at the following meetings. The King County Labor Council Executive Board and Delegates meetings. Along with ILWU Puget Sound Regional Director Dan McKisson we met with Port of Seattle Commissioner John Creighton to discuss issues directly relating to Seattle. And; along with Machinist (IAM) Political Director Larry Brown and Washington State Building Trades President Lee Newgent we spoke with the Spokane, WA, newspaper *Spokesman Review* editorial board on trade issues affecting Washington State.

Seattle Branch Agent

## Wilmington

November 16, 2015

Shipping: Bosun: 2, AB: 9, AB Maint: 2, OS: 2, Messman: 1, standby: 52 for a total of 68 jobs shipped.

Registrations: A: 30 B: 31 C: 18 D: 17

### Ships Checked

*APL China* (Wil Williamson-Delegate), *Mokihana*, *R.J. Pfeiffer* (Angel Lopez-Delegate), *Mahimahi* (Mike Soper-Delegate), *APL Belgium* (Captain working on getting bb winches.), *Manukai* (Ruta Kaupiko-Delegate), *APL Korea* (Greg Schauf-Delegate), *Mokihana* (Jerry Marshall-Delegate), *Manulani* (Dan McDonald-Delegate), *APL Singapore* (Paul Harsany-Delegate), *Mahimahi*, *Maunawili* (Rob Morgan-Delegate).

On October 19, Eli Egger and I attended the L.A. County Federation of Labor Delegates meeting. Eli went up to the mike and announced that he had made Bernie Sander's DVDs. We handed them out at the door. On November 12, attended the Maritime Trades Department meeting.

Years ago, on the *Kauai*, I was about to mix some five gallon paint. A young Hawaiian OS came into the paint locker and I asked him if he knew how to box. He said, "You got beef with me?!" "No," I said, "I just want to mix the paint." The point of this sea story is there is only one way of boxing on a ship. Not one of us wants to get black balled, lose our document or worse. So be peace makers, not fighters. A merchant ship is not the street.

Congratulations to Josh Davis our newest Wilmington AB.

Merry Christmas, Happy New Year and God Bless the SUP.

Mark Hurley, Wilmington Branch Agent

## Honolulu

November 16, 2015

Shipped the following jobs in the month of November: 1 Bosun steady, 2 AB Day steady, 1 AB Day relief, 4 AB Watch steady, and 1 AB Maint steady. The shipping jobs were filled by 7 A cards, and 2 B cards. Also shipped 20 standby jobs. The standby jobs were filled by 2 A cards, 14 B cards, 3 C cards, and 1 D card.

Registered in November: 6 A cards, 5 B cards, 3 C cards, and 3 D cards. To date totaled registered: 11 A cards, 17 B cards, 6 C cards and 7 D cards.

### Ships checked

I visited the *Manukai*, *Maunalei*, *RJ Pfeiffer*, *Lihue*, *Maunawili*, *Manulani*, *Manoa*, *Kauai*, *Mokihana*, *Maui*, *Mahimahi*, *Moku Pahu*, and the Paint and Rigging gang. All are running with few or minor beefs.

I represented the SUP at the Hawai'i Ports Maritime Council meeting, a meet and greet with the Hawai'i Pilots Association, and the biennial Hawai'i State AFL-CIO convention, where I was re-elected as a Vice President to the Hawai'i State AFL-CIO Executive Board.

It is the end of another year (it seems like the older you get the faster the years go by) and time again to remind everyone to check their all their paperwork and documents. If anything is expiring in 2016, I recommend that you start renewing now and beat the rush before 2017 arrives, especially your MMC. New US Coast Guard regulations starting January 1, 2017 will require anyone applying for or renewing their MMC to have to take a Basic Safety Training (STCW) course again (firefighting, survival suits, life rafts, etc.).

Mele Kalikimaka and Hauoli Makihika Hou (Merry Christmas and Happy New Year).

Honolulu Branch Agent

## Dispatcher's Report

Headquarters—Nov. 2015

Deck	
Bosun.....	2
Carpenter.....	0
MM.....	4
AB .....	11
OS .....	2
Standby .....	18
Total Deck Jobs Shipped .....	37
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.....	37
Total B, C, D Shipped-All Depts. ....	29
Total Registered "A" .....	31
Total Registered "B" .....	41
Total Registered "C" .....	20
Total Registered "D" .....	37

## ATTEND YOUR UNION MEETINGS!

## Business Agent's Report

December 14, 2015

**Lihue-** Last trip in there was an issue with between one member of the unlicense deck/engine dept. MFOW Vice President Cajun Calais and I sat down and had lengthy discussion and was able to resolve these issues. Both sides agree to put these differences aside and move forward. The gang's in good spirits time-off, time-back, and to wide open. Next trip ship due in the shipyard. Bert Genita as Bosun, Ramon Duran as delegate.

**Kauai-**Called the crew back for the Kauai, after laying up for less than a week. Mick McHenry as bosun, Paul Davis as delegate.

**Maui-** In and out of Oakland twice with no problems; in good hands with Noel Itsumra as bosun, Arsenio Purganan as delegate.

**Manoa-** Short stay in and out like a tanker, local news reported this morning Matson containers are floating free off Baker Beach in San Francisco. Stand by, Frank Portanier as Bosun should have a sea story for us. Duke Maringer is delegate.

**Matson Navigation Company-** Dispatched 10 sailors to pick up debris on Baker Beach from containers that went overboard from the *Manoa* at the San Francisco Pilot Station.

**Mahimahi-** In and out with no beefs running smoothly with Bosun Remoni Tufono. Izzy Idris as delegate.

**Matsonia-** Got call from Matson

informing the SUP that they will be activating her some time in the middle of the month.

**Mokihana-** She's been running out of Los Angeles to Honolulu.

**APL Thailand-** Dispute between two sailors investigates by Wilmington Branch Agent Mark Hurley, and Headquarters. Bosun Alan Peightal had to get off for a family emergency. Promoted Rolando Mendoza as there were no qualified sailors in the hall. Christopher Go relieved Dave Mercer as delegate.

**APL Singapore-** There has been an issue with gangway security on board Paul Harsney as Delegate,

**APL Korea-** John Rose Bosun Greg Schauf as delegate.

**Mississippi Voyager-** Running up and down the West Coast.

**Oregon Voyager-** In and out RLW.

**Cape Orlando-** Running smoothly on a regular routine in Alameda. For some reason when it comes to a monthly Union meeting day, this Chief Engineer wants to know the reason for the meeting. Which is NONE OF HIS BUSINESS. This prince needs charm school. Jim Linderman as Bosun with GVU's Jose Ysern and Alhoigie Touray

**Cape Henry-** Running smoothly with Gabriel Sipin as Serang, with GVU's Edwin Baptista and Ronald Brito.

**Admiral Callaghan-**In good hands with Robert Reed as Bosun, with GVU's Randy Cruz and Roger Timiteo.

## Spreading holiday cheer



Honolulu and Seattle holiday parties: Honolulu above and Seattle below: SUP pensioners Sandy Earle, Dennis Murphy, Dave Shands, and Johnny Webb

