




# West Coast Sailors

Official Organ of the Sailors' Union of the Pacific

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SAN FRANCISCO, CALIFORNIA

Friday, February 23, 2018

## TOTE scuttles plan to launch new West Coast-Hawai'i service

**T**OTE Maritime, which announced last August (see the August 2017 *West Coast Sailors*) that it intends to establish a new domestic shipping service from the U.S. mainland to Hawai'i, is putting the plan on hold indefinitely due to the results of a technical review.

The company, which is a subsidiary of Seattle-based transportation Saltchuk, said last month that the results of the first phase of its technical review of Piers 1 and 2 in Honolulu Harbor show that significant improvements and upgrades would be required to accommodate the new operations.

The Hawai'i Department of Transportation had earmarked for TOTE access to Honolulu Piers 1 and 2 last September, as well as exclusive use of an adjacent 45 acres beginning in 2020, coinciding with TOTE's planned service to Hawai'i.

Philly Shipyard said last June that it had already begun construction of four containerships for TOTE, which were to be the continuation of the series of two similar 850-foot, 3,600-TEU "Aloha Class" containerships under construction at the ship-

yard for Matson Navigation's Hawai'i service.

"Due to the scope and timing of the upgrades and improvements, TOTE will not renew the letter of intent with Philly Shipyard that expires on January 1, 2018," TOTE explained in a prepared statement. "TOTE continues to be open to working with the Hawai'i Department of Transportation to update plans and a timeline for access to a Honolulu deepwater terminal that would allow commencement of TOTE's service to Hawai'i."

TOTE has admitted that construction of the new ships and a commitment for terminal space in Honolulu are critical for the new venture to move forward.

The Hawai'i-Mainland trade route is currently serviced by two carriers, SUP-contracted Matson and the Pasha Group.

Philly Shipyard last year explained its rationale for launching the Hawai'i-to-Mainland trade venture by saying that the current carriers in the region are reliant in part on a group of near end-of-life steamships, and that when stricter new MARPOL/ECA emissions regulations take effect in 2020, several of the older steam powered vessels now serving the route will be out of compliance.

Therefore, the company said, the circumstances provided an opportunity for a new Jones Act carrier to enter the Hawai'i containership trade. Unless new ships enter the Hawai'i trade route starting in 2020, local commerce could be adversely impacted by the new emissions standards, the shipyard explained at the time.

Last August, Matson CEO Matt Cox warned that TOTE's extra vessels were unneeded and would lead to "uneconomic" overcapacity in the U.S.-Hawai'i trade lane. "The severe losses experienced over time in Puerto Rico and trans-Pacific trade lanes provide examples of the detrimental impact that overcapacity can have in this business," he cautioned in a call with media.

## USA Maritime, food aid partners urge support for programs that employs U.S.-flag shipping

*USA Maritime, which the Sailors' Union is a member, has joined with a large and diverse group of organizations urging the United States Department of Agriculture (USDA) to support funding for the McGovern-Dole International Food for Education and Child Nutrition program and the Food for Progress program. As stated in the Coalition's January 30 letter to USDA Secretary Sonny Perdue, "these programs improve livelihoods and educational opportunities, while building the political stability and capacity necessary to grow future markets for U.S. agricultural products."*

The following is the letter to Secretary Perdue:

"As supporters and implementers of the U.S. Department of Agriculture's McGovern-Dole International Food for Education and Child Nutrition program, or the Food for Progress program, we, the undersigned organizations, urge your support for these programs in annual budget requests. We represent a diverse group of business, faith-based and non-profit groups that have seen first-hand how these programs improve livelihoods and educational opportunities, while building the political stability and capacity necessary to grow future markets for U.S. agricultural products.

The McGovern-Dole program provides high-quality American-sourced commodities for nutritious school lunches for millions of vulnerable children in 24 countries across Africa, Asia and Latin America. A lack of education is directly tied to poverty, and according to one study if all students in low-income countries learned basic reading skills, there would be 171 million fewer people living in poverty. McGovern-Dole is designed to support increased school enrollment, attendance, and achievement, and thus combat poverty through education.

In poor communities that suffer from chronic hunger, McGovern-Dole lunches are a powerful incentive for parents to send their children to classes regularly, particularly since these lunches are often the only meal these children receive each day. In countries like Burkina Faso and Mali, schools partici-

pating in McGovern-Dole saw attendance rates skyrocket by about 40%. Young girls who traditionally do not have access to education have seen the greatest gains in school attendance, and as the Global Partnership for Education notes, "Educated girls and women tend to be healthier, have fewer children, earn more income and provide better health care for themselves and their future children."

The McGovern-Dole program also promotes education, child development and nutrition through complementary services. Examples include administering deworming medicine, providing greater access to clean water, and targeted teacher training and literacy interventions. In Mozambique, more than 8000 people graduated from accredited teacher training colleges, while in Honduras there was a 22% increase in literacy for participating primary school children, and in Guatemala teachers report that 40% more students are focusing on their studies because they are no longer hungry.

Food for Progress is an equally impactful program that strengthens and modernizes agricultural sectors in developing countries. This growth is especially important given that, according to a study by the World Bank, gross domestic product (GDP) growth originating in agriculture is nearly three times more effective in reducing poverty than GDP growth originating outside this sector for the world's poorest people. In countries like Georgia, Tanzania, Malawi,

Zambia, Haiti and Honduras, businesses supported by Food for Progress saw a 30% rise in total employment and now support half a million jobs, a majority of which provide an income above the poverty line and over half of which are filled by women.

Food for Progress provides U.S. agricultural commodities to private voluntary organizations, which in turn sell these commodities and use the proceeds to fund programs. Food for Progress helps small producers adopt modern agricultural practices and engage in the market so they can more fully participate in both national and international agricultural value chains. As a result, individual livelihoods are strengthened like we saw in Bolivia, where the income of participating farmers rose 142%. Farmers who have been supported through Food for Progress productively add to the global economy and are contributing to products sold by major international brands such as GAP, Pizza Hut, and Jollibee.

Both McGovern-Dole and Food for Progress also directly contribute to important U.S. interests beyond helping other countries. For instance, in Fiscal Year 2015, these programs together purchased and shipped 428,288 metric tons of commodities grown by U.S. farmers. The provision of commodities is a lifeline to people living in poverty, and it is not lost on them that this aid is provided by the American people, which raises our country's stature and reputation around the world. As

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# SUP Honor Roll

Voluntary contributions from the membership to the following funds:

## Organization/ General Fund

Ronildo Dimatulac ..... 50.00  
 Marc Dulay ..... 25.00  
 Stephen Rydberg..... 200.00

## West Coast Sailors

Philip Howell ..... 25.00  
 James Kolm ..... 25.00  
 James Linderman ..... 25.00  
 John Nannini ..... 25.00  
 Jack Post ..... 25.00  
 James Rangel ..... 25.00  
 Manuel Rodriguez..... 25.00  
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Chris Bunheirao ..... 60.00  
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 Ronildo Dimatulac ..... 50.00  
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 Matt Henning ..... 25.00  
 Jill Holleman ..... 50.00  
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 Will Roi and  
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 Steven Ross ..... 350.00  
 Stephen Rydberg..... 200.00  
 Gonzalo Sarra ..... 100.00  
 Elston Wong.....10.00

## Dues-Paying Pensioners

Donald Cushing	Book #4777	Duane Nash	Book #2437
Diane Ferrari	Book #2251	John Perez	Book #3810
Gerald Ingemansson	Book #0379	Alex Romo	Book #3093
Kaj E. Kristensen	Book #3120	James Savage	Book #7488
Hannu Kurppa	Book #3162	David Shands	Book #7483
Dave Larsen	Book 19078	Arthur Thanash	Book #3249

## DEFEND THE JONES ACT SUPPORT THE SUP POLITICAL FUND

# United States, Russia propose Bering Sea shipping routes

The United States and Russia have proposed a system of two-way routes for vessels to follow in the Bering Strait and Bering Sea. The announcement comes in response to increased shipping traffic around the Arctic region.

The two countries jointly developed and submitted the proposal to the International Maritime Organization to establish six two-way routes and six precautionary areas. The proposed two-way routes will be voluntary for all domestic and international ships.

Located in United States and Russian Federation territorial waters off the coasts of Alaska and the Chukotskiy Peninsula, the routes are being recommended to help ships avoid the numerous shoals, reefs and

islands outside the routes and to reduce the potential for marine casualties and environmental disasters.

No additional Aids to Navigation are being proposed to mark the recommended two-way routes and the routing measures do not limit commercial fishing or subsistence activities.

“Over the past decade, the U.S. and Russia have both observed a steady increase in Arctic shipping activity,” said Mike Sollosi, the chief of the U.S. Coast Guard Navigation Standards Division.

Increased commercial and recreational traffic bring the increased risk of maritime casualties, said Sollosi, and the bilateral proposal for routing measures is designed to reduce that risk.

## SUP Meetings

These are the dates for the regularly scheduled SUP meetings in 2018:

	Hdqs.	Branch
March	12	19
April	9	16
May	14	21
June	Tues. 12	18
July	9	16
August	13	20
September	10	17
October	Tues. 9	15
November	Tues. 13	19
December	10	17

## Final Departures

**Tonci Jaram**, Book #19323. Born in Croatia in 1959. Joined SUP in 2010. Died in Colton, California, November 17, 2017.

**James Flaherty**, Book No. 1991. Born in California in 1925. Joined SUP in 1945. Died in Concord, California, January 11, 2018. (Pensioner)

**George Braid**, Book No. 5603. Born in Ohio in 1927. Joined SUP in 1952. Died in Columbus, Ohio, January 16, 2018. (Pensioner)

# USA Maritime, food aid partners urge support for programs

*continued from page 1*

these people begin to prosper economically, thanks in part to our efforts, trade opportunities for American businesses will increase. Since both McGovern-Dole and Food for Progress give large numbers of people and businesses in developing countries the opportunity to use and familiarize themselves with high quality American commodities, U.S. agriculture is particularly well placed to capitalize on increased trade in the future.

In explaining the Trade Title of the 2014 Farm Bill, the title that created the important Undersecretary for Trade and Foreign Agriculture position, the bill's Managers “affirmed the importance of maintaining strong development programs in support of building resilient communities and reducing dependency on foreign assistance.” We agree with their statement and know it is imperative to millions of people that the important work of McGovern-Dole and Food for Progress continue.

We appreciate the ongoing work of your dedicated staff at the Foreign Agriculture Service and we look forward to working with you on these critical and impactful programs.” Sincerely,

- ACDI/VOCA
- ADRA International
- Alliance to End Hunger
- American Soybean Association
- BKA Logistics LLC
- Bread for the World
- Cantera Partners, LLC
- Catholic Relief Services
- Counterpart International
- Cultivating New Frontiers in Agriculture
- Didion Milling Inc.
- FINCA International
- Food for the Hungry
- InterAction
- Land O'Lakes International Development
- Lutheran World Relief
- Mercy Corps

- MSC Mediterranean Shipping Company
- National Association of Wheat Growers
- National Cooperative Business Assoc.
- National Corn Growers Association
- Plan International USA
- Planet Aid
- Project Concern International
- Save the Children
- Shelter for Life
- TechnoServe
- U.S. Wheat Associates, Inc.
- U.S. Dry Bean Council
- U.S. Dry Pea & Lentil Council
- USA Maritime**
- U.S. Rice
- Winrock International
- World Vision U.S.

# Survivors found in life raft days after ferry's sinking

Six adults and an unconscious baby were rescued on January 28, from a life raft in the Pacific Ocean after drifting for four days in the blazing sun without water. The survivors had scrambled onto the small wooden dinghy after the ferry they were aboard sank, according to authorities.

New Zealand Defense Force Air Commodore Darryn Webb said the crew on a military Orion plane had used radar to locate the dinghy while searching for survivors. He said the ferry had been carrying at least 50 people while traveling between two islands in the remote nation of Kiribati.

Webb said there was no sign of any other survivors. The cause of the sinking is not yet known.

The plane dropped supplies to the survivors including food, water and a radio. The survivors used the radio to tell rescuers they'd managed to get off the ferry when it capsized and climb aboard the dinghy, Webb said.

Webb said the survivors had very little time to react and found themselves adrift without water or an engine. He said they did have a blanket or tarp, which they may have been able to use to get relief from the sun.

Webb said a fishing boat changed its course and picked up the survivors. The dinghy was drifting 112 miles from the nearest major island when it was found.

While thankful the life raft was found, Webb said it was heartbreaking the ferry had sunk and others were still missing.

Named the *MV Butiraoi*, the 57-foot wooden catamaran left Nonouti Island bound for South Tarawa on January 25. The journey was supposed to take two days. New Zealand rescuers say they weren't told about the missing boat until January 26, eight days after the ferry had left.

Questions remain as to why it took Kiribati authorities so long to tell New Zealand officials the ferry was missing. Webb saw a Kiribati plane had earlier searched for the ferry but didn't have sophisticated radar equipment.

Senior Search and Rescue Officer John Ashby said they'd been told the ferry underwent repairs to its propeller shaft just before leaving.

Kiribati is a remote, nation of 33 atolls that is home to about 108,000 people, in the Central Pacific.

## West Coast Sailors

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# APL and Matson spar in federal court over the right to operate MSP vessels in the Guam/Saipan trade

As reported in last month's *West Coast Sailors*, the Department of Transportation and the Maritime Administration filed a 62-page brief on January 12, urging the United States Court of Appeals for the District of Columbia to reject Matson Navigation Company's challenge to MarAd's ruling to allow American President Lines to operate Maritime Security Program-enrolled vessels in the Guam/Saipan trade. The following articles below lay out the positions of both companies:

## American President Lines

APL Marine Services Ltd. and APL Maritime Ltd. filed an intervenor's brief on January 19, urging the federal appeals court to shut down Matson's petition challenging a pair of administrative approvals the U.S. Department of Transportation granted to American President Lines (APL).

The approvals, granted by the Maritime Administration in October 2015 and December 2016, were to replace two of APL's vessels participating in the Maritime Security Program and compete along similar trade routes as Matson.

The replacement vessels, the *APL Guam* and the *APL Saipan*, scored approval to transport cargo from the U.S. mainland to Palau, Micronesia, the Marshall Islands and New Guinea; between Asia and Guam; as well as to provide regular service connecting "Asia and both Guam and Saipan," including "direct service from Japan or Korea to Guam."

APL insisted that it met all the statutory requirements for the Maritime Security Program, rejecting Matson's arguments that MarAd inappropriately determined that APL's replacement vessels were "commercially viable," and would be "operated in providing transportation in foreign commerce," according to the brief.

"But as APL's replacement applications made clear, there were strong commercial (and military) justifications for APL to shift focus away from the Middle East to the Pacific, where the United States was growing its military presence," APL explained in its brief.

"Matson's efforts to reconceive the 'commercial viability' requirement are unavailing: the standard that Matson invents, which would require MSP participants to show that their vessels do not need federal subsidies to thrive under a U.S. flag, is unmoored from the statute's purpose of bolstering the size and health of the nation's merchant marine," APL added.

APL also fired back at Matson's argument for jurisdiction under the Hobbs Act, which authorizes federal courts of appeals to review "final orders of the Secretary of Transportation issued pursuant to [46 U.S.C. §] 50501. That provision does not support jurisdiction because Section 50501 governs whether a corporation is deemed a U.S. citizen for purposes of certain federal maritime programs, and the decision under review did not involve any questions of corporate citizenship," APL argued.

APL's brief comes a week after the DOT and MarAd filed their own brief urging the D.C. Circuit to reject Matson's petition, saying Matson has failed to demonstrate how it has suffered any injury from APL's purported U.S.-flag, domestic trade with Saipan.

"Without any evidence of injury, Matson lacks standing to challenge the agency's determination concerning any purported coastwise trade with Saipan under a U.S. flag," the agencies said in their January 12 brief.

Matson doesn't participate in the Maritime Security Program, but it argued in court documents that one of the requirements for eligibility is that the participating vessel must operate exclusively in foreign commerce. And because APL's vessels provide service to Guam—which the statute defines as being within the United States—the vessels should not have been deemed eligible for the program and the subsidies that come with it, Matson argued.

The federal agencies said Matson's petition comes too late since Matson didn't launch its administrative appeal with MarAd until February 2017. MarAd denied Matson's appeal in April 2017, setting up Matson's instant appeal to the D.C. Circuit.

If Matson had wished to challenge MarAd's decision concerning the *APL Guam*, it would have had to file a petition for review by December 21, 2015, which is 60 days after the decision was issued on October 21, 2015.

"Matson cannot establish timeliness for its challenge to the agency's determination concerning the *APL Guam* by bootstrapping that challenge to a challenge to the agency's determination concerning the *APL Saipan*," the DOT and MarAd said in their brief.

The case is *Matson Navigation Co. Inc. v. U.S. Department of Transportation et al*, case number 17-1144, in the U.S. Court of Appeals for the District of Columbia Circuit.

## Matson Navigation Company

Matson Navigation Company told the U.S. Court of Appeals for the District of Columbia Circuit on February 1, that rival shipper American President Lines (APL) should not have received federal subsidies for Guam and Saipan trade routes as part of the Maritime Security Program that requires subsidized vessels to participate in foreign commerce.

Matson filed a reply brief with the appeals court defending its June petition challenging a pair of administrative approvals the U.S. Department of Transportation granted to APL. The approvals, granted by Maritime Administration in October 2015 and December 2016, were to replace two of APL's vessels participating in the Maritime Security Program and compete along similar trade routes as Matson.

Matson said that APL's vessels didn't even qualify for participation in that program, firing back at APL's and the MarAd's separate attempts to have the D.C. Circuit throw out the challenge.

According to its reply brief, Matson said that all the parties agree that foreign commerce requires actual trade with a foreign country, not just a layover or transshipment at a foreign port; and that trade with U.S. island territories—including Guam and Saipan—is domestic, not foreign, commerce. And in order to be eligible to participate in the Maritime Security Program, participating vessels must operate exclusively in foreign commerce.

"Nevertheless, both the Maritime Administration and APL continue to defend the award of MSP subsidies to two vessels whose *raison d'être* is the transportation of goods between the U.S. mainland and Guam and Saipan—domestic commerce," Matson said in the brief.

The Maritime Security Program establishes a fleet of privately owned vessels "to meet national defense and other security requirements and maintain a U.S. presence in international commercial shipping." The U.S. may use these privately owned and operated vessels for national defense or military purposes in time of war or national emergency, and in exchange, vessel owners receive payments for participating in the program.

The replacement vessels, the *APL Guam* and the *APL Saipan*, scored approval to transport cargo from the U.S. mainland to Palau, Micronesia, the Marshall Island and New Guinea; between Asia and Guam; as well as provide regular service connecting "Asia and both Guam and Saipan," including "direct service from Japan or Korea to Guam."

Matson slammed MarAd's contention that APL's vessels are eligible for subsidies because they are engaged in "mixed" foreign commerce and domestic trade permitted under their registry endorsements.

"But the registry endorsement exception does not include trade with Saipan."

Matson said. "Because both APL vessels call Saipan, they are ineligible for the MSP fleet as a matter of law."

Meanwhile, APL told the D.C. Circuit last month that Matson's appeal must be rejected for lack of jurisdiction.

APL Marine Services Ltd. and APL Maritime Ltd. filed an intervenor's brief insisting that their vessels met all the statutory requirements for the Maritime Security Program, rejecting Matson's arguments that MarAd made the wrong determinations.

APL explained its applications made clear there were strong commercial and military justifications for APL to shift focus away from the Middle East to the Pacific, where the United States was growing its military presence.

"Matson's efforts to reconceive the 'commercial viability' requirement are unavailing: the standard that Matson invents, which would require MSP participants to show that their vessels do not need federal subsidies to thrive under a U.S. flag, is unmoored from the statute's purpose of bolstering the size and health of the nation's merchant marine," APL said.

Matson which is based in Honolulu, and has corporate offices in Oakland, is a major Pacific Ocean container shipper, primarily serving routes from the West Coast to Hawai'i, and Guam and the Mid-Pacific. Matson has insisted in court documents that it operates non-subsidized vessels in the same domestic shipping trades as the two APL vessels that scored the approvals, Matson doesn't participate in the Maritime Security Program.

The DOT and MarAd also filed their own brief last month, saying Matson has failed to demonstrate how it has suffered any injury from APL's purported U.S.-flag, domestic trade with Saipan.

"Without any evidence of injury, Matson lacks standing to challenge the agency's determination concerning any purported coastwise trade with Saipan under a U.S. flag," the agencies said.

The federal agencies said Matson's petition comes too late since Matson didn't launch its administrative appeal with MarAd until February 2017. MarAd denied Matson's appeal in April 2017, setting up Matson's instant appeal to the D.C. Circuit.

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**DEFEND THE  
MARITIME SECURITY PROGRAM  
SUPPORT THE  
SUP POLITICAL FUND**

# SUP Quarterly Finance Committee Report

## SUP QUARTERLY FINANCE COMMITTEE REPORT FOR THE QUARTER ENDED DECEMBER 31, 2017

The Quarterly Finance Committee, duly authorized to act by the regular meeting at Headquarters on January 8, 2018, hereby submits the following report:

### SUMMARY OF CASH AND INVESTMENTS

General Fund.....	\$2,545,193.16
Political Fund .....	\$10,869.74
Strike Fund .....	<u>\$1,293,730.99</u>
Total Cash and Investments 4th Qtr. 2017 .....	<u>\$3,849,793.89</u>

### GENERAL FUND

Income:	
Dues, Initiation, Assessments .....	\$135,045.00
Interest .....	8,059.15
Donations - <i>West Coast Sailors</i> .....	758.00
Tanker & Joint Committee, Hiring Hall.....	178,752.50
Advertising & Promotion.....	180.00
Miscellaneous Income, Reimbursements, Fines.....	28.44
Reimbursed Administrative Expenses.....	35,431.61
Contributions - General Fund .....	<u>860.00</u>
Total Income:.....	<u>\$359,141.70</u>

### Expense:

Auto & Travel.....	\$966.26
Rent.....	18,173.22
Postage, Printing & Office .....	11,713.61
Telephone & Telegraph.....	4,701.14
<i>West Coast Sailors</i> Publishing Expense .....	11,262.86
Per Capita .....	15,201.50
Salaries & Payroll Taxes.....	205,227.95
Office Workers Pension.....	9,297.60
Insurance.....	55,436.36
Field Expense.....	1,249.56
Meeting/Committee & Neg., Conference & Conv. ....	4,775.98
Investment Expense.....	2,152.64
Officials Pension.....	1,530.00
Subscriptions.....	3,990.26
Legal - Rep.....	2,601.04
Advertising & Promotion.....	360.00

Contributions .....	1,130.00
Accounting.....	600.00
Miscellaneous.....	<u>(325.00)</u>
Total Expense:.....	<u>\$350,044.98</u>

### BUILDING CORPORATION

Income:	
Rents .....	\$175,325.92
Building Services & Utilities Reim .....	<u>0.00</u>
Total Income: .....	<u>\$175,325.92</u>

### Expense:

Building Services & Utilities.....	\$28,916.54
Repairs & Maintenance .....	5,919.72
Insurance.....	7,840.20
General Taxes .....	19,931.77
Salaries & Payroll Taxes.....	17,222.01
Pension .....	205.00
Auto .....	163.36
Accounting.....	400.00
Office .....	<u>727.61</u>
Total Expense: .....	<u>\$81,326.21</u>

### POLITICAL FUND

Income:	
Contributions .....	\$4,185.00
Total Income .....	<u>\$4,185.00</u>

### Expense:

Contributions .....	\$1,050.00
Total Expense:.....	<u>\$1,050.00</u>

Net Income 4th Qtr. ....	\$106,231.45
Net Income YTD:.....	<u>\$356,729.86</u>

/s/ Phil Coulter

/s/ Paul Fuentes

/s/ Frank Portanier

/s/ Isiah Stafford

/s/ Mike Worth

*ACTION BY THE MEMBERSHIP February 13, 2018. M/S/C—That we concur in the report of the SUP Quarterly Finance Committee and, as per past practice, publish in the West Coast Sailors. Carried unanimously.*

## Blackbeard's library is pieced together

Experts who have been poring over the discoveries from Blackbeard's ship have new insight into the lives of 18th century pirates – they know what was in the shipboard library.

Archaeologists in the North Carolina Department of Natural and Cultural Resources have uncovered fragments of papers that they believe originate from pages of a book onboard the *Queen Anne's Revenge*, the pirate's wrecked ship.

Their analysis reveals the fragments are from a copy of Captain Edward Cooke's "A Voyage to the South Sea, and Round the World, Perform'd in the Years 1708, 1709, 1710 and 1711".

The discovery was made during work by the Queen Anne's Revenge Conservation Lab, where 16 fragments of paper were discovered in sludge removed from the chamber of a cannon.

"The largest fragment was only about the size of a quarter. Paper is an extremely rare material to find on shipwrecks, especially one 300 years old, because it usually disintegrates very quickly under water," the state agency that oversees the lab said. It took months of conservation efforts before the title of the tome could be determined. Perhaps it is not surprising that the book had a maritime theme.

Published in 1712, Cooke's book is an account of his journeys on the *Duke* and *Duchess* led by Captain Woodes Rogers. Among his adventure, he recounted the rescue of marooned Alexander Selkirk, who inspired Daniel Defoe's 1719 novel "Robinson Crusoe".

The *Queen Anne's Revenge* was the flagship of Edward Teach, known as Blackbeard. The vessel grounded off North Carolina in 1718, but was rediscovered in 1996.

## India repatriates Somali pirates

On January 26, Indian authorities deported 41 Somali pirates who were arrested in Indian waters in 2011.

The convicted pirates were among a group of 120 Somalis arrested during the peak of the East Africa piracy epidemic. Most of them were captured by the Indian Navy and Coast Guard off the Lakshadweep Islands, over 1,000 nautical miles to the east of Somali waters. In a series of actions from January to March 2011, Indian units deterred ongoing attacks on the region's merchant shipping, capturing scores of pirates and freeing more than 50 hostages aboard pirate mother ships.

These pirates were taken to the Indian mainland and imprisoned pending trial. Three died in jail, and last year, the remaining 117 suspects were sentenced to time served followed by deportation. All are scheduled to be sent back to Somalia by the end of next month. "Another 76 will be released in two batches on February 15, and February 23, and will be sent back to their home country," said lawyer Vishwajeet Singh, their appointed representative, speaking to the *Mumbai Mirror*.

"The offenders have been given a lesson that in India there is rule of law and that the offenders are brought to justice," special public prosecutor Ranjeet Sangle told the *Times of India* at the time of the sentencing. "From 2011, since the pirates were arrested, the entire piracy operation in the western waters of India has come down."

## Congressman Hunter calls Jones Act opposition 'stupid'

The Chairman of the Subcommittee on Coast Guard and Maritime Transportation, Congressman Duncan Hunter (R-California), gave impassioned remarks in support of the Jones Act on January 17, during a Capitol Hill hearing held to examine the state of the U.S.-flag maritime industry.

The Jones Act, also known as the Merchant Marine Act of 1920, requires that all goods shipped between American ports travel on U.S.-flagged ships with American crews.

Among those who gave testimony during the hearing, some in support of the Jones Act, included: Rear Admiral John Nadeau, Assistant Commandant for Prevention Policy, U.S. Coast Guard; Mark H. Buzby, Administrator, Maritime Administration; Captain Andrew McGovern, President, The United New Jersey Sandy Hook Pilots Association; Matt Woodruff, President, American Maritime Partnership; James Henry, Chairman, USA Maritime; Aaron Smith, President and CEO, Offshore Marine Service Association; Matthew Paxton, President, Shipbuilders Council of America; and Bill Van Loo, Secretary-Treasurer, Marine Engineers' Beneficial Association. [Editor's note: Brother Van Loo's testimony on behalf of maritime labor, including the SUP, was published in last month's *West Coast Sailors*.]

However, it was Hunter who gave perhaps the more forceful remarks, calling opposition to the Jones Act "stupid," among other things.

"In order for us to maintain the way of life as we know it, as a nation that's secure and able to project power – be it Navy power or commercial power – the Jones Act is intrinsic to that. It is the cornerstone of all of it," he said at one point.

**"The absurdities of some of those in this Congress and in government, to think that you want Korean or Chinese or name your country-made ships, and taking the entire American workforce of making ships and driving them, and getting something from point A to point B in America, it's stupid, it's absurd, and I hope that we just keep educating and educating, 'cause that's what it's going to take so that people understand what this is and how this is one of the cornerstones of our country's entire national security apparatus," he said. "It is the Jones Act, and it is what allows us to project power and be the greatest country in the world," Duncan concluded.**

Woodruff, of the American Maritime Partnership, the domestic shipping industry's primary trade organization, also chimed in on the issue, saying that opposition to the Jones Act is basically foolish. "I think they're misguided. I think that they have people who are trying to get an undue advantage over a situation, who are trying to tell them things that aren't necessarily true and there are a lot of people out there who are trying to make a buck, and they think they can do so by promoting the false narrative about cost association," Woodruff remarked.

## U.S. Coast Guard seeks tighter grip over third parties in wake of *El Faro* sinking

Results of the investigation into the sinking of the ro-ro vessel *El Faro* has placed overhauling the U.S. Coast Guard's (USCG's) third-party classification societies oversight at the top of the priority list for the agency's highest safety official.

"The *El Faro* final action memo is clear and unambiguous: we have an obligation to do better oversight" of third parties, Rear Admiral John Nadeau, the agency's assistant commandant for prevention policy, told the British publication, *Fairplay*.

In the action memo, released by the USCG on December 21, Nadeau's boss, USCG Commandant Paul Zukunft, emphasized that as the lead agency of the U.S. flag, the Coast Guard is ultimately responsible for monitoring third parties, as well as for guaranteeing the effectiveness of vessel inspections and surveys that the agency has delegated those third parties to carry out.

"Yet the Coast Guard failed to adequately oversee the third party in this case, and the investigation reveals that the Coast Guard has not sustained the proficiency and policy framework to do so in general. The Coast Guard is fully committed to rectifying the shortcomings that led to these failures."

In practical terms, it will mean creating a separate group at USCG headquarters in Washington, D.C., that is responsible solely for third-party oversight. "Right now there is no 'office of oversight' and there's no single person responsible," Nadeau said. "We have disparate processes, so we need to stitch those together and have a small cell that's responsible for

connecting all this together and making sure we execute."

With the failings in oversight made public through the investigation into the *El Faro* disaster—in which all 33 crew members onboard were killed—the initial focus will be improving oversight of classification societies.

Through a plan called the Alternate Compliance Program (ACP) that started in 1995, class carries out multiple functions on the USCG's behalf that affect ship safety. It was revealed during the *El Faro* investigation that the class society ABS—on which the United States relies for 92% of its deep-draft commercial fleet—"failed to uncover or otherwise resolve longstanding deficiencies" that affected the safety of vessels on "multiple occasions", according to Zukunft's memo.

"Back when it started, we had committed to maintaining the capability for proper oversight" of the ACP, Nadeau said. "Fast forward 20 years, and what the outcome of *El Faro* tells us is, we didn't quite follow through with that."

Nadeau pointed out that changes in the shipping industry over the last two decades contributed to the problem, including far more vessels involved in the program, as well as a lack of a formal set of expectations for how third parties are used, and their obligations to the flag state—until the International Maritime Organization's Code for Recognized Organizations, which entered into force in 2015. "Those obligations didn't exist in 1995," Nadeau said.

## APL expands premium container loading service

APL said this month that it is greatly expanding its "Eagle GO. Guaranteed" service, increasing the number of locations it will offer the service from four to 29 ports originating in Asia.

The CMA CGM subsidiary said that as of March 1, it will offer the service, which promises equipment and vessel space on 22 services to North America, to 15 to ports on the West Coast and seven to ports on the East Coast.

Eagle GO. Guaranteed was introduced last October from the ports of Shanghai, Ningbo and Yantian in China, as well as Cai Mep in Vietnam, and offers a money-back guarantee.

Effective March 1, the service will add these Asian ports of origination: Busan, Dalian, Fuqing, Hong Kong, Jakarta, Kaohsiung, Kobe, Laem Chabang, Lianyungang, Mundra, Nagoya, Naha, Nansha, Nhava Sheva, Port Kelang, Port Qasim, Qingdao, Sendai, Shekou, Singapore, Taipei, Tianjin, Tokyo, Xiamen and Yokohama; in addition to Shanghai, Ningbo, Yantian and Cai Mep.

"During the recent peak leading up to the Lunar New Year, shippers turned to APL's Eagle GO. Guaranteed to get their urgent shipments going without the concerns of equipment and vessel space shortages. In scaling up the Eagle GO. Guaranteed service to 25 more Asian ports, we seek to benefit more shippers, in particular those loading from the major ports of Busan, Jakarta, Qingdao and Xiamen amongst others," said Jesper Stenbak, senior vice president of APL's Trans-Pacific trade.

APL has two other "Eagle Guaranteed" services that also offer money-back guarantees.

One of which is The Eagle GET. Guaranteed service, which assures an expeditious discharge of cargo on board the EX1, SC1 and PE1 services at the Global Gateway South terminal in Los Angeles. Eagle GET. Guaranteed shipments are discharged within 12 hours of commencement of vessel cargo operations and are pre-mounted on chassis.

The other Eagle Guaranteed service is APL's Eagle REACH. Guaranteed, which promises day-definite arrival of containers on the EX1 service from the Global Gateway South terminal to rail yards in Chicago, Columbus, Dallas, El Paso, Kansas City and Memphis.

## Jones Act benefits Puerto Rico's consumers says Matson's CEO Matt Cox

Defending the Jones Act, Matson CEO and Chairman Matthew J. Cox said shipping rates between Puerto Rico and the U.S. mainland are the lowest in the Caribbean and as much as 20% to 50% lower than those of foreign-flag services to other islands in the region.

"Dedicated service to Puerto Rico provides price efficiencies," Cox told the Propeller Club of Southern California this month. He said U.S. mainland-Puerto Rico trade is a self-contained service that is not tacked on to longer trade routes in the Caribbean and Latin America.

**Cox denied charges that the ship-U.S. requirement makes Jones Act trades more costly for consumers in those locations. He presented an indexed analysis of shipping rates from the mainland to Puerto Rico, which must move on Jones Act vessels, compared with rates to other islands where the Jones Act does not apply. Those non-U.S. markets are served by foreign-flag carriers.**

**Using the Puerto Rico rate as 1.0, Cox said the indexed rate to the Dominican Republic is 1.01, Haiti 1.17, St. Thomas 1.21, and St. Croix 1.49. He noted that the northbound rates from Puerto Rico are even lower. "That service could disappear without the Jones Act," he said.**

National attention was focused on the ship-U.S. provision in the U.S. mainland-Puerto Rico trade following the devastation caused by Hurricane Maria on September 20. Amid charges that the Jones Act was at least partially responsible for the backlog of supplies that built up on the docks, the Trump Administration briefly suspended the Jones Act requirement and four bills to amend or repeal the act were introduced in Congress, although none were passed.

The Jones Act refers to the 1920 law that stipulates that cargo moving from one U.S. port to another must be carried on U.S.-built, U.S.-flag vessels that are owned and crewed by U.S. citizens. The arguments of Jones Act opponents, be they referring to the Puerto Rico, Hawai'i, or Alaska trades, is that the requirements result in higher shipping costs and insufficient vessel capacity in those trade lanes.

Critics last autumn added another argument to their arsenal, namely that the Jones Act requirements contributed to the inability of relief workers to deliver much-needed supplies to the interior of the island. However, Cox said it is now generally accepted that the inland transportation infrastructure in Puerto Rico was virtually wiped out by the hurricane and a shortage of trucks and drivers compounded the problem.

The mainland-Puerto Rico route is a specialized trade marked by ships dedicated to that service, terminals built to accommodate the mostly barge carriers that serve the route and specialized cargo handling equipment, Cox said.

If foreign-flag carriers would serve Puerto Rico in the same way they serve other Caribbean islands, they would probably tack Puerto Rico on to their multi-destination Central and South American services, he said. The direct, efficient U.S. mainland-Puerto Rico services by several carriers include 25 Jones Act vessels that routinely carry 53-foot containers with capacities of about 40% greater than the standard 40-foot marine container, he added.

Furthermore, even though Puerto Rico is a Jones Act market in the U.S. mainland trade, foreign-flag vessels dominate the Puerto Rico-foreign country trade lanes. As a result, two-thirds of the vessels that call at Puerto Rico are foreign flag, he said.

## Port of San Francisco seeks proposals for Pier 70 shipyard operator

After receiving an underwhelming response to its first attempt, the Port of San Francisco says it now plans to re-issue a request for proposals (RFP) for a new operator of its Pier 70 shipyard in the coming weeks.

The target date for port commission consideration is February 27, the port said in a January 9 statement.

The port originally issued an RFP for a new operator of the Pier 70 shipyard on August 15, and received three responses, but only one proposal, from Portland, Oregon-based Vigor Industrial, was deemed to be responsive, according to the Port of San Francisco.

After reviewing the information received during the RFP process, the port decided to re-issue the RFP to broaden its parameters.

The port said it intends to propose to the port commission a new RFP that will allow the possibility of public investment in the shipyard's infrastructure, as well as consideration of capital equipment ownership transfer to facilitate financing of needed facility improvements.

These options were not included in the original RFP.

"This broadening of the parameters of the RFP may offer more flexibility in making proposals and is intended to attract a larger bidder pool," the port explained in a statement.

The shipyard previously operated as BAE Ship Repair since 2005, until it was taken over by Tacoma-based Puglia Engineering in 2016. Puglia ceased operations at the location in May 2017. Since then, the Port of San Francisco has been paying all expenses for maintaining the facility and plans to do so until a new tenant and shipyard operator are named.

"The port is fully committed to finding the right ship repair operator and maintaining industrial maritime uses at the Pier 70 shipyard," the Port of San Francisco said in a statement.

The shipyard site includes 14.7 acres of land, as well as 17.4 acres of submerged property. The land includes 16 buildings and port-owned assets with multiple floating dry docks and an 8,000 ampere shoreside power system.

**ATTEND YOUR MONTHLY  
SUP UNION MEETINGS!**



# Piracy reaches 22-year low Searching for the *Mauna Ala*

The International Chamber of Commerce's (ICC) International Maritime Bureau (IMB) reports 180 piracy incidents in 2017, the lowest annual number of incidents since 1995, when 188 reports were received.

In 2017, 136 vessels were boarded, while there were 22 attempted attacks, 16 vessels fired upon and six vessels hijacked. In 15 separate incidents, 91 crewmembers were taken hostage and 75 were kidnapped from their vessels in 13 other incidents. Three crewmembers were killed in 2017 and six injured.

In 2016, a total of 191 incidents were reported, with 150 vessels boarded and 151 crewmembers taken hostage.

Beyond the global figures, the Bureau's 2017 report underlined several key points: **Persistent danger in the Gulf of Guinea**

In 2017, there were 36 reported incidents with no vessels hijacked in this area and 10 incidents of kidnapping involving 65 crewmembers in or around Nigerian waters. Globally 16 vessels reported being fired upon – including seven in the Gulf of Guinea.

"Although the number of attacks is down this year in comparison with last year, the Gulf of Guinea and the waters around Nigeria remain a threat to seafarers. The Nigerian authorities have intervened in a number of incidents helping to prevent incidents from escalating," said Pottengal Mukundan, Director of IMB.

### Somali pirates

Nine incidents were recorded off Somalia in 2017, up from two in 2016. In November, a container ship was attacked by armed pirates approximately 280 nautical miles east of Mogadishu. The pirates, unable to board the vessel due to the ship's evasive maneuvering fired two RPG rockets, both of which missed, before retreating.

Six Somali pirates were subsequently detained by European Union Naval Force, transferred to the Seychelles and charged with "committing an act of piracy" where they face up to 30 years' imprisonment, if convicted.



"This dramatic incident, alongside our 2017 figures, demonstrates that Somali pirates retain the capability and intent to launch attacks against merchant vessels hundreds of miles from their coastline," said Mukundan.

### Mixed results in Southeast Asia

Indonesia recorded 43 incidents in 2017, down from 49 in 2016. The IMB report notes that Indonesian Marine Police patrols continue to be effective in the country's 10 designated safe anchorages.

In the Philippines, however, the number of reported incidents has more than doubled, from 10 in 2016 to 22 in 2017. According to the report, the majority of these incidents were low-level attacks on anchored vessels, mainly at the ports of Manila and Batangas.

Vessels underway off the Southern Philippines were boarded and crew kidnapped in the first quarter of 2017. However, alerts broadcast by the IMB's Piracy Reporting Center, on behalf of the Philippine authorities, have since helped to avoid further successful attacks.

"On December 3, 1941 the steamer *Mauna Ala*, belonging to Matson Navigation Company, sailed from Seattle under the command of Captain C.W. Saunders bound for Hawai'i," Columbia River Bar Pilot Captain Robert Johnson wrote. "She was carrying general cargo that included Christmas trees and food for the troop buildup in Hawai'i."

After the Japanese attacked Pearl Harbor on December 7, the "Christmas ship" received a cable saying to head to the Columbia River, instead. "On the evening of December 10, a misty evening, their position showed them approaching the Columbia River lightship, where she would take a bar pilot," Captain Johnson explained.

"They continued expecting to pick up the navigation aids of the lightship *Cape Disappointment* and *North Head* at any time. Instead, at 7:03 P.M., the lookout called 'breakers ahead.' The engine was put full astern but she ran aground south of the river entrance. Unbeknownst to the ship, all aids to navigation ... had all been turned off, fearing a Japanese attack."

The crew was safe, and taken to Astoria. Not so the ship, which broke apart and was a total loss.

Soldiers rushing to the coast, fearing a Japanese invasion when the ship grounded, instead found the ship's cargo of "60,000 Christmas trees, 10,000 turkeys, 3,000 chickens," as well as a case each of steaks and Almond Roca, washing ashore, according to the Cannon Beach History Center and Museum ([tinyurl.com/SSMauna](http://tinyurl.com/SSMauna)). Word spread fast, and beachcombers weren't far behind to collect the unexpected Christmas bounty.

"The exact location of her grounding is unclear," noted Captain Johnson, who is researching the ship for the Maritime Archaeology Society ([maritimearchaeological.org](http://maritimearchaeological.org)). "One record has her three miles south of the jetty, and another one mile south of the Peter Iredale. Can anyone who remembers this incident give us a better description of the location of the beaching? Are there any pictures or stories from local family lore about the incident or taking care of the crew?"

If you have any information, please email Captain Johnson at [info@maritimearchaeological.org](mailto:info@maritimearchaeological.org) or call 503-325-3211, ext. 257.

## Pirates release hijacked tanker in Gulf of Guinea

Pirates in the Gulf of Guinea have released a Panama-flagged oil tanker and its 22 Indian crew members which they had hijacked off Benin, the ship's manager Anglo-Eastern has confirmed.

The company said in an emailed statement on February 5, that the *MT Marine Express* is now back under command of its captain and crew. All crew members are reported safe and the cargo is intact. "Full control of the vessel was resumed at approximately 0400 Singapore time. All crew members are reported to be safe and well, and the cargo of 13,500 tons of gasoline remains on board," the statement read. The *MT Marine Express* was hijacked by pirates on February 1, at an anchorage off Cotonou, Benin.

"A full investigation will be carried out into the hijacking of the vessel and Anglo-Eastern wishes to express its gratitude to the captain and crew of the *Marine Express* and their families for their courage and fortitude in dealing with this difficult situation over the past few days, as well as to all of the authorities and agencies involved.

"All families of the crew members on board the *Marine Express* have been advised of the situation," the statement concludes.

Anglo-Eastern would not comment on matters regarding ransom paid for the ship and crew's release.

## Ready Reserve Force

### Wage rates for Matson Navigation Company\* and Patriot Contract Services

effective January 22, 2018

*Cape Henry\*, Cape Horn\*, Cape Hudson\*, Admiral William Callaghan, Cape Orlando, Cape Taylor, Cape Texas, Cape Trinity, Cape Victory, Cape Vincent*

#### Reduced Operating Status (ROS)

Rating	Weekly Wage	Daily Wage	Overtime Rate	Daily Money Purchase Plan
Bosun	\$1,606.59	\$229.51	\$39.33	\$10.30
AB	\$1,222.01	\$174.57	\$33.58	\$10.30
GVA (OS)	\$986.64	\$140.95	\$20.07	\$10.30

Weekly wages shall be divided by seven when determining daily wages for unlicensed crew who work less than a full week, provided, however, that no unlicensed crewmember shall be paid less than the weekly wage listed above when employed Monday through Friday and the vessel remains in Reduced Operating Status throughout the subsequent weekend.

The overtime rates specified above shall apply to all work performed in excess of eight (8) hours, Monday through Friday and for all hours worked on Saturdays, Sundays and holidays.

All ratings shall earn two (2) days of vacation leave for each thirty (30) days employed in ROS.

#### Full Operating Status (FOS)

Rating	Monthly Wage	Daily Wage	Monthly Supple. Benefit	Overtime Rate	Penalty Time	Daily Money Purchase Plan
Bosun	\$5,152.96	\$171.77	\$2,576.48	\$39.53	\$22.42	\$10.30
AB	\$4,101.04	\$136.70	\$2,050.52	\$33.74	\$17.16	\$10.30
OS	\$2,823.32	\$94.11	\$1,411.66	\$20.17	\$13.60	\$8.44

The overtime rates specified above shall apply to all work performed in excess of eight (8) hours, Monday through Friday and for all hours worked on Saturdays, Sundays and holidays.

## SUPPORT THE SUP POLITICAL FUND



## ESU Office Assignments

For the month of March, Leo DeCastro will be in the Seabrook office.

# ESU NEWS

FEBRUARY 2018

Official Publication of the Exxon Seamen's Union

## Crowley employment opportunities after CIC

As reported in the most recent editions of the *ESU NEWS*, Crowley Maritime is purchasing the SeaRiver/Exxon ships this year with an original expectation that the "change in control" (CIC) would take place in the third quarter time frame. Now, however, the new planning basis for CIC has moved up to the second quarter and will most likely take place during the first or second part of April depending on vessel logistics. The three ships will need to be in port at the same time for a few days to make necessary changes to facilitate CIC. Early April is a substantial change from the initial plan and appears to be related to the Alaska Department of Environmental Conservation (ADEC) approving a minor amendment to the Oil Spill Response (OSR) plan for Crowley that will speed up the CIC process.

During the month of February, SeaRiver management, Crowley Human Resources, Seafarers International Union (SIU) representatives along with ESU President John Straley have been visiting the SeaRiver ships to talk with the unlicensed personnel about employment opportunities with Crowley through the SIU. If anyone is interested in the opportunity to continue employment with Crowley via the SIU, you will need to send a completed information form to Anna Smith, Marine Personnel Supervisor at Crowley, via email at [Anna.Smith@crowley.com](mailto:Anna.Smith@crowley.com). It is requested that you do this as soon as possible, but no later than the end of February. This will assist Crowley to prepare timely offers of employment at CIC. Due to legal reasons Crowley will not be able to make offers until after CIC.

SeaRiver unlicensed accepting a position with Crowley will be placed in a Crowley Manpower Pool, which is designated for Crowley ship assignment through the SIU. You will receive a "C" book status and earn time with the SIU while sailing with Crowley. After sailing 90 days per year in the first two years you will earn "B" status and if so desire can compete for other jobs within the SIU through one of their may hiring halls around the country. To earn an "A" Book you need to sail at least 90 days per year for eight consecutive years.

The decision to join Crowley and the SIU will not affect your ESU layoff/severance payment at CIC. The requirement for you to receive severance payments is for you to be on SeaRiver payroll as of CIC and you will receive this payment regardless of your status – onboard, on paid leave, or on disability leave. See the ESU MOU from December 8, for this language (#4). The layoff/severance payment estimate for each employee will be calculated with an estimated CIC date in April. Once the calculations are completed they will be sent to each employee for review.

## Ship reports

### S/R American Progress

The vessel experienced significant delays while in Beaumont in mid-February due to fog at Sabine Pass. As we go to print there are plans to visit the vessel to talk about Crowley employment once the vessel's schedule becomes clear. Ship Representative AB Larry Miles aboard and reports all is going OK. Over the past few weeks the AMP has been loading at Beaumont for discharge in Florida ports including Port Canaveral, Port Everglades and Tampa.

### Eagle Bay

ESU Board officer John Straley visited the ship at Anchorage 9 in San Francisco, CA on February 7. The first round of future employment discussions with the crew and notification that CIC was moved up to early April was learned. The vessel continues to trade between Valdez, AK, and multiple discharges at ports on the West Coast. Temporary ship representative AB Wen Shie Tai filling in and reports all is well. The vessel has been in the Puget Sound for a few days and scheduled to depart today for San Francisco to discharge at Valero Benicia in late February. Next trip South is slated from Long Beach in mid-March.

### Liberty Bay

ESU Board officer John Straley visited the ship on February 14, while discharging at Andeavor Anacortes, WA. Second round of post CIC discussion with the unlicensed group with S/R management, Crowley and the SIU with many good questions to clarify the employment offer. The *Liberty* continues loading in Valdez, AK, for discharges in the Puget Sound and San Francisco. Current trip south is scheduled for discharge in the Puget Sound and while in port additional survey/inspections will also be completed for Crowley. Regular Ship Rep., Joseph Buffington aboard and looking forward to his upcoming retirement.

A big THANK YOU to all our Ship Reps. for doing great job in support of the ESU for so many years!

## The ESU after "CIC"

The Exxon Seamen's Union has functioned as the exclusive Union that has represented the unlicensed employees assigned to SeaRiver/Exxon ships since 1941. After Crowley takes possession of the vessels, the ESU will no longer have a membership to represent so we will start winding down our operation as a Union. Surplus financial assets will be redistributed to the membership after all bills are paid by the Union and the necessary paperwork is completed along with tax returns next year. Currently, we anticipate this taking place sometime in early 2019. The Union is required by federal law to file a tax return for 2018, which cannot be filed until next year. As required by the ESU Constitution and Bylaws, the Union must use a Certified Public Accountant for tax reporting and general accountability. The Union will work to expedite this process as quickly as possible through our CPA David Jentho with the Rattliff and Jentho firm in Baytown, Texas.

When the ESU Executive Board met on December 7-8, 2017, for Effects Bargaining with SeaRiver management, the Board discussed how to refund surplus monies to the membership following CIC. This discussion was followed with a vote that was unanimously passed. The method that was agreed upon for redistribution is as follows: "All surplus Union funds will be refunded to the ESU Membership that recognizes continuous tenure/service in the Union." Members with greater service will receive a greater share of the financial redistribution whereas members with shorter service will receive a smaller share.

With this being the final edition of the *ESU NEWS*, future communications between the ESU and the membership will be through e-mail updates. If you have an e-mail or mailing address change you must update the Union so we will know where to mail your redistribution check.

## Reimbursements

As CIC is rapidly approaching, everyone needs to be mindful to submit receipts timely for travel reimbursements such as luggage and airline seat upgrades to Helen Wright at [helen.l.wright@exxonmobil.com](mailto:helen.l.wright@exxonmobil.com) as promptly as possible.

## ESU Final Edition



From the way things look now, the final bell for the ESU will come to an abrupt end sooner than later and with that this will be the final edition of the *ESU NEWS*. Next month, March 28, will mark the 77th anniversary of the Exxon Seamen's Union, which appears to be the last in our long history. It's a bitter pill to swallow but there is not much the ESU can do once the Company decides to sell their ships to another company.

The history of the ESU has had its ups and downs over the years but the Union has done very well for the membership regarding pay and working conditions. Looking back at one of our most pivotal times in our history, the Company (Exxon Shipping) nearly destroyed the ESU during the dark days in the late 1980's under then Exxon Shipping President Frank Irassoi's Union busting regime. The ESU ultimately prevailed through perseverance by demonstrating a cohesive unity that allowed the Union to weather that stormy time and continue our strong tradition. The Union seal has four important words that have been the foundation of our principals that I believe everyone has lived up to over the years as an ESU Member: Perseverance, Pride, Unity and Tradition.

In closing I would like to say that I for one have been proud to be a member of the Exxon Seamen's Union and have considered it a great privilege to serve as your President for the past nine years. Godspeed to everyone with your next journey.

Fraternally,

John Straley  
ESU President

Leo DeCastro  
Vice President

## EXXON SEAMEN'S UNION

Founded March 28, 1941

Affiliated with the Sailors' Union of the Pacific

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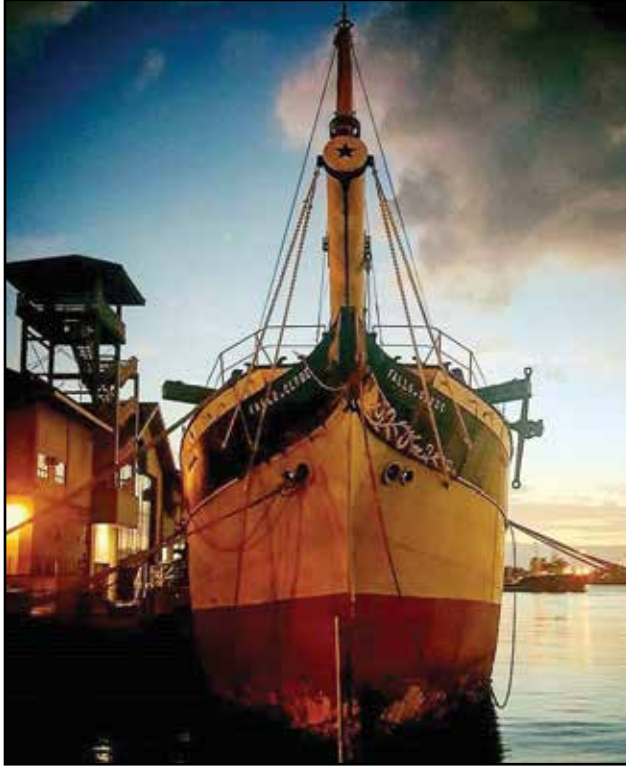
Vice President/Treasurer Leo DeCastro  
Board Member at Large Don Picou  
Board Member at Large Ein Cooley

Deck Trustee Jeffrey Harris  
Engine Trustee William Ackley  
Steward Trustee Joel Mitchell



# Scottish group calls for help to save Falls of Clyde

In January 1898, flying the Hawaiian flag, the *Falls of Clyde* arrived in Honolulu after being sold to an agent of Captain William Matson. He modified the ship's rig to that of a bark and built a large wooden deckhouse forward and a charthouse on the poop deck. Later registered in the United States, she carried sugar from Hilo to San Francisco until 1906 when the Associated Oil Company in which Matson had an interest bought her and converted her into an oil tanker. After 10 tanks were added within the hull, she had a carrying capacity close to 750,000 gallons. She also carried molasses from Hilo to San Francisco over the next 13 years. In



1921, she was sold to the General Petroleum Corporation who, after de-rigging the ship, then used her as a floating petroleum depot in Ketchikan, Alaska.

Nearly three decades later, she was taken out of commercial service and was on the verge of being sunk to form a breakwater when *Honolulu Advertiser* columnist Bob Krauss came to her rescue. Supporters and school children raised money to help bring her back to Hawai'i, and the U.S. Navy contributed by towing the *Falls of Clyde* from Seattle to Honolulu in 1963.

With financial support from people around the world and hundreds of volunteers working on a variety of restoration projects, the Bishop Museum, which had taken over management of the ship's operations, opened the *Falls of Clyde* to the public in 1971 at Pier 5 in Honolulu Harbor. Over the next decade, tens of thousands of people visited the ship.

However, during Hurricane Iwa in 1982, the ship sustained major damage. Krauss and other supporters formed the original Friends of *The Falls of Clyde* group which then took control of the vessel. A few months later, the *Falls of Clyde* was named a National Historic Monument by the National Parks Service, and restoration work began.

Despite this, her future remained uncertain, and she was again saved from being scuttled. The Save *Falls of Clyde* International Campaign was launched in August 2016 when Honolulu Harbor impounded her. Their aim is to now return her to Scotland.

"We are now planning a public event where she will receive a traditional Hawaiian farewell send off accompanied by traditional war canoes. On the shoreline, there will be a party with traditional Hawaiian and Scottish food, song and dance as the public says goodbye after 75 years in Hawai'i," says Campaign Coordinator, David O'Neill.

The group has secured free passage for the vessel through the Panama Canal, and tug services have been volunteered. "We are seeking one or many brands to help us reach part of our costs to complete the lift operation," says O'Neill. "We are asking for pledges, by email to [savefallsofclayde@gmail.com](mailto:savefallsofclayde@gmail.com) or to the Facebook page."

On arrival in Europe she will receive a traditional Scottish welcome in the River Clyde with plans to replicate her escorting flotilla. This is anticipated to include tall ships from across Europe.

"Once restored the ship will maintain her connection to Hawai'i and visit the islands to trade and allow students to sail on her as part of our global education plans," says O'Neill. "Students will spend five months at sea, and we will offer places to kids who have not quite had a good education or who have left school early or perhaps been offenders. They can experience a journey of a life time and give back to society while gaining a life changing experience that will ready them to face any of life's challenges."

Additionally, the ship will be involved in ocean cleanup campaigns and trade in fair trade cargoes in conjunction with Fair Transport Europe and Sail Cargo Alliance, carrying cargoes such as rum, coffee and chocolate.

## Membership and Ratings Committee

The Committee met on February 2, and found the following members eligible for advancement in seniority and rating stamps in the various departments:

Name and Membership Number	Seatime	Rating	Seniority
Jose O. Duran #2760	6 Years	A.B.	A
Jonathan Escala #19545	1 Year	A.B.	B
Alcides Camacho #19546	1 Year	O.S.	B
Kenneth Barnhouse #19547	1 Year	A.B.	B
Adan Gonzalez #19548	1 Year	O.S.	B
Sven Morgenstern #19549	1 Year	A.B.	B
Hal Thomas #19550	1 Year	A.B.	B
Manjula Kondapperuma #19551	1 Year	A.B.	B
Michael Mauler #C2727	30 Days	A.B.	C
John Elrich #C2729	30 Days	A.B.	C
Bosun Stamp - 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, Marcelo Javier, Jr. #4324 and Michael Smith #13502.

## Welfare Notes February 2018

The Plans Administrative Office is mailing a new Summary Plan Description booklet for the SIU Pacific District Pension Plan to active participants and pensioners. Please note that there has been no change in benefit provisions. The booklet merely summarizes Plan rules and benefits currently available for your understanding.

Access is available online to Summary Plan Descriptions for both the SUP Welfare Plan and SIU Pacific District Pension Plan at the SUP website: [www.sailors.org](http://www.sailors.org). Click on the SUP Welfare Plan tab and you will see the two Summary Plan Descriptions mentioned above as well as a variety of forms and information for download as follows:

### Forms

- Member Assistance Program Brochure (Human Behavior Associates)
- SUP 401(k) Enrollment Form
- SUP 401(k) Plan Investment Choices Selection and Account Reallocation Form
- SUP 401(k) Plan Beneficiary Designation Form
- SUP Money Purchase Pension Plan Investment Choices Selection and Account Reallocation Form
- SUP Money Purchase Pension Plan Beneficiary Designation Form for Single Participants
- SUP Money Purchase Pension Plan Beneficiary Designation Form for Married Participants
- SUP Welfare Plan, Inc. – Authorized Beneficiary Form for Active Members-Death Benefit
- SUP Welfare Plan, Inc. – Pensioner Annual Hospital Medical Benefit Reimbursement Form
- Address Change Form

### FAQs

- Frequently Asked Questions – 401(k)
- Frequently Asked Questions – MPP
- Mail, email or fax forms to: SUP Welfare Plan Office  
730 Harrison St, Suite 415  
San Francisco, CA 94107.

The fax number is: 1-415-778-5495.

Michelle Chang, Administrator [mcsupsiupd@sbcglobal.net](mailto:mcsupsiupd@sbcglobal.net)  
Patty Martin, MPP & 401(k) Plans, Claims, Death Benefits  
[martinpatty59@sbcglobal.net](mailto:martinpatty59@sbcglobal.net)

Michael Jacyna, Eligibility [mjacyna67@sbcglobal.net](mailto:mjacyna67@sbcglobal.net)  
Training Representative, Berit Eriksson 206-551-1870  
[berittrainrep@sbcglobal.net](mailto:berittrainrep@sbcglobal.net)

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

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

SIU-PD Pension Plan 415-764-4987

SIU-PD Supplemental Benefits Fund 415-764-4991

Seafarers' Medical Center 415-392-3611

## USCG and Canadian Coast Guard seize 21 tons of cocaine

Last month, the crew of the U.S. Coast Guard cutter *Stratton* offloaded more than 21 tons of cocaine on a pier in San Diego. The haul is worth about \$720 million, and it was seized from smugglers in 23 separate high-seas interdictions in the Eastern Pacific by American and Canadian agencies.

*Stratton* herself stopped two hard-to-spot low profile boats in one, three-day period, resulting in the capture of 2.6 tons of cocaine. Her crew seized three more boats during the tour, and their total for the voyage came in at 5.4 tons.

The cutters *Steadfast*, *Mohawk*, *Northland* and *Thetis* also contributed to the haul, along with the Canadian Coast Guard cutter *Nanaimo*, which had a U.S. Coast Guard law enforcement detachment on board during her patrol.

The Coast Guard says that it increasingly sees smugglers turning to semi-submersible boats and low-profile go-fast boats in order to evade detection. The latter type has less freeboard than a typical speedboat, plus multiple outboard engines and camouflage paint to help evade law enforcement. Over the past six months, the Coast Guard has interdicted 13 of these low-profile boats and two semi-submersibles.

Coast Guard Vice Admiral Fred Midgette credited part of the mission's success to the *Stratton's* ScanEagle drone, a small unmanned aircraft that is popular with military users. As smugglers turn to purpose-built, stealthy small craft with low radar profiles, the task of locating them has grown more difficult. But drones can make that process easier, Midgette says. "The drones are a game changer for us because they can stay up so long and they have a very wide swath of the water they can look at," Midgette said. "They absolutely have increased our effectiveness."



## President Trump's budget targets Medicare, Medicaid and food stamps

President Trump unveiled his federal budget proposal this month, which takes aim at many of the health and safety net programs that older Americans rely on. The plan sharply reduces funding for Medicare, Medicaid, Social Security Disability Insurance and food stamps.

Rarely do most of the elements of a president's budget become law, as Congress would have to enact them. Historically that almost never happens.

### Medicare

The budget cuts \$237 billion over 10 years. The spending plan includes:

Requiring Part D prescription drug health plans to participate in a program to prevent drug abuse.

Mandating Part D plans to pass on to enrollees some of the rebates they receive from pharmaceutical manufacturers at the pharmacy counter.

Changing the way out-of-pocket drug costs are accounted for within the doughnut hole. Fewer enrollees would reach the catastrophic threshold, but those who do would have their out-of-pocket costs capped. Currently, enrollees pay 5% of their drug costs once they reach catastrophic coverage.

Allowing Medicare beneficiaries to continue contributing to their Health Savings Accounts or Medicare Savings Accounts if they have high-deductible plans.

### Medicaid

The spending proposal give states more flexibility. The plan includes:

Repealing the Affordable Care Act's Medicaid expansion.

Testing new ways of providing drug coverage to Medicaid recipients. Five states would be able to determine which

drugs they would cover to help them better negotiate drug prices with manufacturers.

Allowing states more flexibility to consider savings and other assets when determining if someone is eligible for Medicaid.

### Food Stamps

The budget would fundamentally change the way the program works. The proposal includes: Slashing the Supplemental Nutrition Assistance Program (SNAP) by \$213.5 billion over a decade. The value of each voucher would be reduced, and recipients would receive what the Agriculture Department is calling "America's Harvest Box." These boxes would include shelf-stable milk, cereals, pasta, peanut butter, beans, canned fruit, vegetables, and meat, poultry, or fish. The Administration says such a system would lead to better nutrition for SNAP beneficiaries and reduce the potential for fraud.

### Social Security

The budget plan would cut \$72 billion over 10 years in the Social Security Disability Insurance and Supplemental Security Income programs. The plan includes:

Getting more disability recipients to return to the workforce and tightening eligibility for these benefits.

Low Income Home Energy Assistance Program (LIHEAP)

The budget would end this program. The proposal includes: Eliminating the \$3.4 billion annual funding. As of 2014, LIHEAP served about 6.3 million households and nearly one-third of those benefiting had at least one member aged 60 years or older, about 38% had someone living in the home with a disability and 19% had at least one child age five or under.

## Proposal to cut the harbor maintenance tax rate in President Trump's budget

The Trump Administration wants to reduce the amount of money importers are charged for using ports, a move that would cut the amount of federal aid the latter get for dredging and jelly maintenance.

Congress ignored budget proposals from the Obama Administration that would have cut annual port funding, and port analysts say there is little chance legislators would change course. The Trump Administration's proposal, however, is illuminating in that it seeks to shift the funding burden to ports and to the benefit of importers, even as the president rails against imports exacerbating the US trade deficit.

In President Donald Trump's proposed \$4.8 billion civil works budget for the US Army Corps of Engineers the administration proposes reducing "the Harbor Maintenance Tax [HMT] rate to better align estimated annual receipts from this tax with recent appropriation levels for eligible expenditures from" the HMT fund. The administration did not disclose how much the current tax rate – at 0.125% levy – should be reduced. The tax adds roughly \$109 per FEU, according to a Federal Maritime Commission study released in 2012.

"Reducing this tax would provide greater flexibility for individual ports to establish appropriate fee structures for services they provide, in order to help finance their capital and operating expenses on their own: the Trump Administration stated in the budget plan.

Under the Trump budget, the Administration recommends that funding set aside for port maintenance work be reduced to \$959 million in fiscal year 2019, which ends Sept. 2019. If congressional appropriators follow the administration's guidance, US ports would receive \$378 million less than they are set to receive in fiscal year 2018 and \$146 million less than they got in fiscal year 2017.

Reducing the HMT would run counter to a well-maintained port system and the broader push to reform the trust fund by using more of it toward its intended purpose of maintaining ports instead of plugging holes in the general fund, according to the American Association of Port Authorities. Under the Water Resources Reform Development Act (WRRDA), signed into law in 2014, Congress encouraged appropriators to give a larger share of HMT collected back to ports, with a goal of having all money spent on port maintenance projects by fiscal 2025.

Before WRRDA, only about half of collected HMT was given back to the ports. In fiscal 2017, US ports got about 75%, or \$1.14 billion, of the nearly \$1.5 billion collected. If Congress were to follow Trump's guidance for fiscal 2019, US ports would only receive 64% of the HMT that was collected.

## Why it's so hard to keep track of ships that are up to no good

South Korea recently seized two oil tankers that it says were illegally transferring oil to North Korean ships at sea. One was registered in Hong Kong, while the other flew the Panamanian flag. The ensuing fallout has focused mainly on who ordered the transaction and chartered the ship – but by the standards of North Korea's dubious shipping transactions, this is far from the most complicated.

North Korea is adept at exploiting a serious problem with maritime security: it's often hard to even identify ships in the first place. Ashore, government agencies issue a registration number and plates for every vehicle, but when it comes to shipping, things are very different.

Although it's widely thought that every ship normally flies the flag of the state where she is registered with a respective number and name, North Korea's shipping company has many times reflagged and renamed ships to evade the UN-imposed arms embargo. By changing their identity, the ships escape the "blacklist" database, giving North Korea a better chance of procuring and/or transferring embargoed items related to the country's missile and nuclear program. Given the North's ongoing nuclear activities, the international security implications are obvious.

In the shipping industry, ship owners can register their ships with countries other than the country of ownership with what are commonly known as Open Registries or Flags of Convenience (FOC). Various agencies exist to help companies or individuals with registering, reflagging or renaming their ships. FOCs come with various benefits for ship owners: cheap registration fees, low or no taxes, and freedom to employ cheap labor.

But there are downsides. Some FOCs have poor safety and training standards and no limitations in terms of the crew's nationalities. And there are other problems, including more dangerous ones.

A British government report on the scrutiny of arms exports and arms controls includes a list of approved "floating armories", ships used by private maritime security companies to store their weapons between transits through the Indian Ocean high-risk area, where they provide security against piracy attacks on merchant vessels.

The list of ships includes *MV HADI XII*, flagged in Bahrain, and *MV Arina Dilber*, flagged in Panama. In reality, these vessels both have the same IMO identification number (8107713); the two entries refer to the same ship, renamed and reflagged.

Identification numbers such as 8107713 are part of a program introduced and implemented by the International Maritime Organization (IMO) in 1987. Under its measures, ships are assigned permanent identification numbers that don't change when the ship is reflagged. Since 2002, these numbers have had to be permanently marked in a visible place on the ship's hull or superstructure. Passenger ships must carry the marking on a horizontal surface visible from the air.

But even as this database clearly helps to identify reflagged and renamed vessels, as in the case of the floating armory, there are exceptions which widen the security gap.

The IMO identification number program is mandatory since 1994 for passenger ships and cargo ships of at least 100 and 300 gross tonnage respectively. But this leaves out plenty of others. For example, the two vessels responsible for the terrorist attacks against the *USS Cole* in 2000 and the French oil tanker *Limburg* in 2002 were not subject to the program.

Vessels engaged solely in fishing are also exempt. The Environmental Justice Foundation, a British-based organization focused on investigating illegal, unreported and unregulated fishing, highlights the security challenge stemming from the exemption of fishing vessels from the IMO identification number program. It urges the international community to fill this security gap with a new global database for fishing vessels.

## Philippines President Duterte bans foreign research ships

Philippine President Rodrigo Duterte has banned all foreign scientific research off the country's Pacific Coast and told the navy to chase away unauthorized vessels, despite earlier allowing Chinese oceanographers to operate there.

There was no clear explanation for the about-face by the mercurial Duterte, who has cultivated warm ties with China, ostensibly to attract loans and investments and lessen Manila's dependence on the United States.

The area of focus is Benham Rise, which the United Nations in 2012 declared part of the Philippines' continental shelf. Manila last year renamed it "Philippine Rise."

"Let me be very clear about this: the Philippine Rise is ours and any insinuation that it is open to everybody should end with this declaration," Duterte told a cabinet meeting on February 5, according to a Facebook post by his Agriculture Secretary, Emmanuel Pinol.

The area is roughly the size of Greece and believed to be rich in biodiversity and tuna. Scientists from the United States and Japan have surveyed it numerous times. However, Chinese interest, including some 18 official requests in 17 years, has caused concern among Philippine nationalists mistrustful of its intentions after decades of disputes and perceived encroachments by Beijing in the South China Sea. Benham Rise is not in the South China Sea and Beijing has made no claim to it.

According to Pinol, Duterte said the navy should deploy vessels to chase away any fishing or research vessels, and he wants the air force to patrol the area. Presidential spokesman Harry Roque confirmed Duterte's order, which he said was over a "national security issue."



# SUP President's Report

February 13, 2018

## THE PRESIDENT'S BUDGET

On February 12, President Trump released his budget for Fiscal Year 2019, which begins on October 1, and ends September 30, 2019. His proposals are at odds with the bipartisan budget bill passed earlier this month by Congress.

Trump's budget, despite his campaign promises, are a wholesale attack on programs that benefit working Americans. For example, Trump proposes a \$1.3 trillion in cuts to Medicaid over three years, \$554 billion in cuts to Medicare over three years and \$10 billion in cuts to Social Security over three years. This and the other cuts proposed are intended to ease the deficit caused by the recent massive tax breaks enacted to benefit corporations and the wealthy.

Maritime was not spared. The Congress voted to fund the Maritime Security Program (MSP) at \$300 million, or \$5 million for each of the 60 ships enrolled in the program, while Trump proposes to reduce that amount to \$214 million, reducing the amount per ship to approximately \$4 million per year. As the membership knows, the enabling legislation for MSP runs until 2025 but has to be funded annually by Congress. Maritime labor and U.S.-flag companies were successful last year in getting the \$300 million appropriated, but with Trump throwing a spanner into the spokes, this battle will probably have to be re-fought.

Cargo preference for U.S.-flag ship is critical to keep the U.S. Merchant Marine afloat. A key component of cargo preference is Food for Peace (P.L. 480), whereby at least 50% of all food aid transported to needy countries be carried in U.S.-flag ships. This program was spearheaded by the SUP in 1955, under the leadership of former secretary Harry Lundeberg, and agreed to by President Eisenhower and the Congress. It has proved its value over the past 63 years.

Under Trump's budget proposal, the \$1.6 billion appropriated for Food for Peace is completely eliminated which Trump touts as a major savings/reform. Maritime Labor, U.S.-flag companies and national agricultural interests will again work in unison to ensure this critical program is properly funded.

The Maritime Administration does not escape Trump's budget knife. Of the \$176 million appropriated to the Agency for operations and training, Trump's budget reduces it to \$153 million.

Trump's cuts cover the whole spectrum of transportation: highways, ports and rail. In short, it is a disaster that must be fought in Congress and at the ballot box in November.

## APL MARINE SERVICES

At the request of APL Labor Relations Director John Dragone, representatives from the SUP (Dave Connolly and your secretary), MFOW and SIU-Marine Cooks, met at MFOW Headquarters on January 23, to discuss the flagging out and replacement of the C-11-Class vessels.

As the membership knows, a vessel cannot be enrolled in the Maritime Security Program if she is over 25-years-old and the C-11s are close to that drop-dead date. The *APL China*, *APL Korea*, *APL Singapore* and *APL Thailand* were built in 1995. The *APL Philippines* was built in 1996.

The 7,831 TEU, Portugal-flag vessel *CMA-CGM Narmada* (built in 2005) will relieve the *Singapore* between mid-May and the end of June. She will be reflagged to U.S. registry and renamed *President Kennedy*.

The 6,589 TEU, Malta-flag vessel *APL Hawaii* (built in 2010) will relieve the *APL Philippines* and will be renamed *President F.D. Roosevelt* in late June or early July.

The 7,831 TEU, Portugal-flag vessel *CMA CGM Indus* (built in 2005) will relieve the *APL China* and will be renamed *President Eisenhower* in late June or mid-July.

The 6,552 TEU, *President Truman* (ex-*H.S. Rome*, built in 2014), currently under Portuguese-flag will relieve the *APL Korea* and reflag in August or early September.

The 6,552 TEU, *President Cleveland* (ex-*H.S. Paris*, built in 2014), is also registered in Portugal and will relieve the *APL Thailand* in late July or mid-August.

The *APL Belgium* (built in 2001) will remain in her current rotation with the C-11s and their replacements but will be renamed *President Wilson* at a date yet to be determined.

As of today's meeting, the reflagging dates given are tentative and may take place either in United States or Chinese ports. Will keep all hands informed, as to the where and when, once the Union is informed.

Sailors dispatched to the reflagged ships will go through a two-day sign-on and training session prior to boarding ship.

## PATRIOT CONTRACT SERVICES

### Expeditionary Transfer Dock (ESD) Vessels:

On January 19, Patriot notified the Union that it intends to bid on a Military Sealift Command (MSC) solicitation for the operation and maintenance of the Expeditionary Transfer Dock vessels *USNS John Glenn* and *USNS Montford Point*. These vessels will operate worldwide in MSC's prepositioning fleet or will perform other government missions. The ships will be capable of transferring rolling stock and other cargoes in-stream with other vessels and via ramp connections, as well as landing and deploying air-cushion, non-displacement craft by means of inclined deck.

In Full Operating Status (FOS) the deck department manning scale calls for 2 Bosuns, 6 ABs, and 3 Ordinary Seamen. In Reduced Operating Status, it's 1 Bosun, 1 AB and 1 OS.

The SUP, in conjunction with MFOW, is in discussions with Patriot to formulate a bid.

### Surge LMSR Vessels:

As reported in October (see the October *West Coast Sailors*), Ocean Ships, Inc. was the successful bidder to operate and maintain the Military Sealift Command's Surge Sealift LMSRs (*USNS Gilliland*, *USNS Gordon*, *USNS Shughart*, *USNS Yano*) that are in Reduced Operating Status (ROS) and are currently managed by Patriot.

On February 8, the Union received a tentative turnover schedule.

Ship	Turnover Period	Tentative Location
<i>USNS Gordon</i>	Feb. 26-Mar. 11	Newport News
<i>USNS Shughart</i>	Mar. 15-Mar. 28	Norfolk
<i>USNS Yano</i>	Apr. 2-Apr. 15	Norfolk
<i>USNS Gilliland</i>	Apr. 16-Apr. 29	Norfolk

Patriot informed the Union that unlicensed mariners who remain aboard the vessels through turnover completion, have no claims, have satisfactory performance reviews, will be eligible for retention bonuses of \$750 per month.

## CHEVRON SHIPPING COMPANY

In accordance with the 2017-2020 Agreement with Chevron, wage and overtime rates were increased by 2% on February 1.

## FOSS MARITIME COMPANY

In accordance with the 2016-2020 Agreement with Foss, covering its bunkering operation in San Francisco Bay, wage and overtime rates will increase by 2.5% on March 1.

## CALIFORNIA LABOR FEDERATION, AFL-CIO

As a vice president of the California Labor Federation, AFL-CIO, attended and participated in an Executive Council meeting on January 30, in Los Angeles.

The Federation has a dynamic pro-worker legislative agenda which includes legislation to create a health care regulatory system, focused on the commercial market

with an ability to regulate health care prices charged by doctors, hospitals, outpatient facilities, prescription drug companies; and overall health care system costs including insurance premiums, administrative costs and profits.

## HOLIDAYS

**Presidents' Day:** All SUP halls will be closed Monday, February 19, in accordance with the Agreements with APL, Foss, Matson and Patriot Contract Services. Due to the holiday, Branch meetings will be held Tuesday, February 20.

**Washington's Birthday:** This holiday, which also falls on Monday, February 19, this year, is observed under the Chevron Agreement, and for all Marine Employees and Dispatchers employed by the San Francisco Bar Pilots.

## ACTION TAKEN

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

Gunnar Lundeberg

*A look astern...  
Feb. 22, 1968 West Coast Sailors*

The Supreme Court of the United States has ruled that the Authority of the Coast Guard to screen personnel of U.S. merchant vessels as to their beliefs or "social, educational or political associations" was not among those vested in the President by the Internal Security Act of 1950.

The finding by the high court struck down a decision of the U.S. District Court for the Western District which upheld refusal by the Coast Guard to validate the license of seaman Herbert Schneider, of Seattle, on security grounds.

Passed over President Truman's veto shortly after the outbreak of the Korean War, the Internal Security Act—known as the Magnuson Act—authorized the President, if her found the security of the United States endangered by subversive activity, to issue rules to safeguard all vessels in the territories or waters subject to the jurisdiction of the U.S. against destruction, loss, or injury from sabotage or other subversive acts.



SUP activist and pensioner Diane Ferrari at the January 20 Women's March in Oakland. The demonstrator on Diane's left cannot be identified.



# Summary of Congressional testimony regarding *El Faro*

Rear Admiral John Nadeau, Assistant Commandant for Prevention Policy, testified January 30, before the House Coast Guard & Maritime Transportation Subcommittee, during a hearing titled, "Examination of Reports on the *El Faro* Marine Casualty." Testifying alongside Nadeau were Earl Weener, board member, National Transportation Safety Board (NTSB), and Brian Curtis, with NTSB's Office of Marine Safety.

The U.S.-flag ship *El Faro* and its 33 crewmembers were lost at sea October 1, 2015 during a hurricane east of the Bahamas. The Coast Guard, in conjunction with NTSB, conducted a two-year investigation into the primary and contributing factors that led to the sinking.

In the Final Action Memo signed December 21, 2017, the commandant of the Coast Guard concurred with the Report of Investigation's conclusion that the primary cause of the casualty was the decision to navigate *El Faro* too close to the path of a hurricane. Contributing factors include: (1) an ineffective safety management system within the operating company, TOTE Services Incorporated; (2) American Bureau of Shipping's failure to uncover or otherwise resolve longstanding deficiencies that adversely affected the safety and seaworthiness of vessels on multiple occasions; and (3) failure of the Coast Guard to adequately oversee the third party in this case the American Bureau of Shipping.

"On behalf of all the men and women in the Coast Guard, I offer my deepest condolences to the friends and families of the mariners lost on board *El Faro*," Nadeau said in his opening remarks. He continued by emphasizing to subcommittee members the Coast Guard's commitment to making improvements to oversight under the Alternate Compliance Program (ACP), the third party compliance program in which *El Faro* was enrolled.

Nadeau provided the subcommittee an overview of recent examinations, by a team of senior Coast Guard marine inspectors, of other ships currently enrolled in ACP, in an effort to determine if the issues revealed in the *El Faro* investigation are persuasive throughout the fleet.

"We have found additional evidence of breakdowns in the safety framework," Nadeau said. "Our findings confirm concerns raised in the [*El Faro*] investigation about the material condition of several other U.S. flag vessels." The safety framework, consisting of the vessel owner/operator, class society, and the Coast Guard, is responsible for ensuring compliance with mandated safety standards.

The United States, like other flag states around the globe, today relies far more heavily on third parties than ever before, Nadeau said, adding that the majority of commercial ships in the U.S. military's sealift fleet use classification societies for many of their compliance activities. He emphasized the need for the Coast Guard to restore the safety framework with robust and thorough oversight and accountability.

As part of the effort to reform the Coast Guard's third party oversight program, Nadeau said he is directing changes to the organization, procedures, policies, and training regimen, and making improvements to how the Coast Guard captures and manages key information.

Nadeau concluded his remarks by emphasizing that this tragedy has shined a spotlight on failures of the safety framework, and the Coast Guard will honor *El Faro*'s 33 mariners with a strong bias toward actions needed to ensure safety.

"At the end of the day, this is about the lives of the men and women who go to sea in support of the Nation's economic prosperity, in support of our nation's military readiness, and in support of our national security," Nadeau said. "The Coast Guard must, and will, restore the safety framework."

# Port of Long Beach sets annual volume record

The Port of Long Beach announced last month that it moved 7.54 million TEUs during 2017, an increase of more than 11% of the previous calendar year and a new annual record for the port.

Port of Long Beach Executive Director Mario Cordero spoke in front of an audience of almost 600 people at the Long Beach Convention Center as part of the annual State of the Port address. Cordero discussed last year's Port accomplishments, billions of dollars in capital projects, and his vision for a sustainable future.

Cordero, a former Harbor Commissioner and Federal Maritime Commission chairman, recounted his return to the nation's second-largest port last May, during a time of uncertainty, as the industry evolved from four to three ocean carrier alliances.

Cordero stated that prudent management and planning readied the port to navigate the shifting landscape, and handle the enormous container ships now plying the world's oceans. He presented a vision of predictable, reliable, efficient and fast trade operations that will retain and grow business into the 2020s and beyond.

Speaking on behalf of the Board of Harbor Commissioners, Harbor Commission President Lou Anne Bynum recalled how the Port of Long Beach charted a new course over the last 12 months by finding a tenant for a terminal vacated by the bankruptcy of a major shipping line. Bynum also noted that the Commission approved updated clean air strategies to improve the Port's position as a global sustainability leader and increased the level of funding for community grants to mitigate emissions in the region.

"Business is once again booming, and the Commission remains committed to serving our customers and community at the Port of Long Beach," Bynum said. "We will continue to be the leading Green Port, devoted to a strategy that embraces powerful economic development and unrivaled environmental sustainability and social responsibility."

# Vice President's Report

February 2018

**Manulani:** Michael Ruan, delegate. Fireworks claim no good under Section 22 (b). Watch rotations come about because one member wants to rotate; seniority in the Union or on board the ship has nothing to do with it. Clarification on port security watches and meal reliefs.

**Kauai:** Mike Henderson, delegate. Washdown required on sailing from Seattle under Section 16 b (9) of the General Rules. Exception carve out for voyages between LA and SF not applicable.

**Manukai:** Chris Bujnowski relieved by Dale Gibson as delegate. Engine stores loaded into container and then unloaded for delivery to engine room at a later date we contend is payable at the penalty rate. It goes beyond the normal stores requirement to "heave aboard" and includes instead elements of special handling and stowage, more or less exactly that work that work that work that work that work for which the penalty was intended. Management, contacted many times on the topic, has not yet recognized it. Delegates are instructed to write in for such handling under Section 33. Watchstanders in port should be relieved for meals by a knocked off dayman same as at sea as described in Section 56. APL language is more descriptive.

**USNS Soderman:** Brent Wells, delegate. Investigation of conditions and lodging claim while on the East Coast during curtailment of toilet facilities completed after weeks pressing management in concert with the other Unions. Collected five days of agreed on lodging premium (\$40 per day) and sent to affected members at address of record.

**USNS Dahl:** Jonnell Hodges, Bosun. Still in the yard in Boston attempting coatings in freezing conditions. Activation delayed. It unwise for sailors ready to work to wait for a particular ship; being picky or relying on rumors sets a course for Cape Disappointment.

**USNS Watson:** Jeffrey Titco, delegate with Jesus Herмосillo, Bosun. Activated in Philadelphia for sea trials and re-deployment to ROS berth in Norfolk. Paid off on February 8 without incident. Rumors of mission activation.

**USNS Charlton:** Alex Glosenger, delegate. With able assistance of the delegate, reliefs underway in Asian port. Rico Ecalnir is the new Bosun with Honolulu Agent Mike Dirksen expertly handling the extra dispatch duties imposed by the Company.

**USNS Sisler:** Eduardo Zepeda, delegate. Changing out ramp topping lifts. Focus on safety and training. Zepeda will relieve Griffin as Bosun and gang to elect new delegate.

**USNS Pomeroy:** Brian McCarthy relieved Michael Jean as delegate. In good shape and continuously ready for action in distant foreign location.

**USNS Gilliland:** Chris Cupan relieved by A.J. Cafarelli, Bosun. In Bayonne NJ with turnover expected in mid-March. Possible activation for sea-trials before turnover.

**USNS Gordon:** Jordan Polon, Bosun. In good shape in Newport News awaiting transfer.

**USNS Shughart:** Noel Romero, delegate. Preparing for contract turnover following sailing and re-deployment to East Coast shipyard and Norfolk homeport. After Bosun Ralph Ruder reported contractors doing SUP work we raised determined objection to management with options for contract compliance such as adding overtime hours and more ROS crew.

**USNS Yano:** Christian Trujillo, delegate. Expected transit of the Gulf for Norfolk to new contractor now delayed.

**SNLC Pax:** Jeffers Bagiuo relieved Anthony Pomarca as delegate. Pomarca, Hal Thomas, and Robert McDougall all pulled together to ensure safe operations in this hard-working ship.

**Moku Pahu:** Terrin Dowdell relieved by Spencer Thompson as delegate with Hamilton Parone as Bosun. Clarification on cargo time: not payable. Ship delayed by fog at Gulf Coast port; common enough in the winter months and maybe the least mysterious of all the available delays.

The familiarity and frequency of delay is evident in our seagoing language where the phrase "standing by" is so regular that it can attain an unironic and squared amplification when sailors are assigned to not merely "stand by" but to "standby to standby." Standing by in other non-maritime usage might mean merely a waiting period, or to be faithful, supportive or a substitute, or to assume a tentative qualified status such as on a "standby flight." Aboard ship as a noun it means the other half of a two-person watch, but in its critical function as a verb it means doing nothing in a state of relaxed readiness, also known as "milling about smartly." The reasons for standing by range from the obvious to the uncertain to the completely unfathomable, but understanding the reason is immaterial to getting the job done. Standing by well is fundamental to good seamanship, and like fresh coffee is more or less what going to sea is all about.

Dave Connolly



Brother Adrian Minty takes the SUP Oath of Obligation administered by President Gunnar Lundeberg under the watchful eye of Chairman Roy Tufono at the Headquarters meeting this month.

Photo: Dave Connolly



# SUP Branch Reports

## Seattle

January 16, 2018

Shipped the following: 4 AB's shipped: 1 Matson steady and 1 return to A-cards, 2 to Navy bottoms, going to 1 B, and 1 C-card, 2 Patriot Ordinary Seaman billets taken by 1 B and 1 C, and 12 standby AB's to 4 A's, 7 B's, and 1 C card.

Registered: 5 A cards for a total of 8; 12 B cards for a total of 22; 1 C cards for a total of 10; 6 D cards for a total of 11.

Meetings attended; Martin Luther King, Jr. Central Labor Council, Port Coalition meeting and Washington Maritime Federation meeting.

Over the last several weeks, the SUP has been involved in fighting back against opposition to LNG as an alternative vessel fuel here in the Puget Sound. While vessels using LNG reduce greenhouse gases from 15% to 25%; the real environmentally progressive gain is that LNG reduces the release of stack gas particulates by 96%. Yet recent attacks by some in the environmental community are making false claims and distorting facts and science.

The Sailors' Union of the Pacific along with ILWU Puget Sound District Council, ILWU Locals 23, 19 and 52, the MM&P, the IBU, the Pierce County Building Trades, the King County Building Trades, the Washington State Metal Trades and the Puget Sound Ports Council Maritime Trades, have and are providing testimony in support of LNG as a safe and environmentally progressive fuel alternative in front of the Seattle City Council. The Tacoma City Council provided background and scientific facts to state legislators in Olympia; and attempted to do the same in legislative districts meetings. Keep in mind that Matson Navigation, Crowley Maritime and Saltchuk Companies (TOTE and Foss) are all building vessels which will use LNG as a fuel source.

Members, when you make the hall bring all your documents with you. Let's go through them to be sure you are current. Other than your Drug-Free you cannot go to work on documents that will expire during your dispatch and your Passport must be valid six months beyond.

*Brendan Bohannon  
Branch Agent*

## A Sailor's Life

All through the years of going to sea  
Where sailors gathered, the stories flew.  
Names were called, that we all knew  
Some were gone, they threw a shoe  
Or he's retired, so now we knew.

When on a ship, it's all coming in  
The money we make it's paid in your hand.  
No money goes out for the food coming in  
Just sit in the mess hall and shovel it in.  
When fuel is needed, we don't pay for that  
Tie up the barge and just sit back.

Now on the beach it's all going out  
Gas at the pump will make you shout.  
Two eggs and bacon, toast and a drink  
The money goes out alot faster than you think.  
Soon you will be back down at the hall  
A little broke, but you had a ball.  
Retirement just a word, it's not for me  
Let me be on a ship, headed out to sea.

*Tom Larkin #4065, retired*

## Wilmington

January 16, 2018

Shipping during the period: Bosun 3, AB 9, AB Maint 3, OS: 1 and 56 standby for a total of 72 jobs shipped.

Registration: A: 23 B: 39 C: 16 D: 8

### Ships checked

**Manulani** (Manny Roxas-Bosun, Rex Simbre-Delegate); **APL Philippines** (all is well); **Mahimahi** (Mike Worth-Bosun, Jim Stelpstra-Delegate); **Maunawili** (Joe Obsuna-Bosun, Mike Pflieger-Delegate); **APL China** (Bob Burns-Bosun, Roger Tupas-Delegate); **Mokihana** (John Benson-Bosun, Daniel Tin-Delegate); **Maunalei** (Vern Johansen-Bosun); **APL Korea** (Steve Fuentes-Bosun, R. Lina-toc-Delegate); **R.J. Pfeiffer** (Paul Farillas-Bosun, Steve Swinton-Delegate); **APL Belgium** (Aaron Wiebe-Bosun, James Salera-Delegate); **Mokihana, Manukai** Ernesto Lecarnaque-Bosun, Chris Bujnowski-Delegate; all ships with little or no beefs.

On January 11, attended the MTD meeting. Brought Dale Gibson with me who I introduced as an activist from our Southern states. We are getting good turnouts at the meetings which is great.

It was brought up at our January meeting how important it is to show up on time, learn your job, do your job and treat your shipmates with dignity and respect.

Double check all your dates.

Happy New Year.

*Mark Hurley  
Vacation Relief for Branch Agent  
Leon Gandy*

## Honolulu

January 16, 2018

I visited the **R.J. Pfeiffer, Manukai, Maunawili, Manulani, Maunalei, Ma-noa, Mokihana, Mahimahi, Matsonia, Kauai**, and the Paint and Rigging gang. All are running with few or minor beefs.

**APL Guam**- no major beefs

**APL Saipan**- no major beefs

**USNS Charlton**- no major beefs

I represented the SUP at the Hawai'i Ports Maritime Council meeting, an AFL-CIO sponsored breakfast at the state capitol to meet the new and re-elected legislators, and the AFL-CIO executive board meeting.

2018 is only two months old and already the new USCG regulations (Basic Training re-qualification) are starting to affect the SUP membership over here. All mariners; foreign or domestic; are going to have to take this class in the next couple of years and beyond. The Maritime License Center School that we use in Hawai'i is only having the class every two months and the class size is limited. So when you are ready to renew your MMC (Merchant Mariner Credential), please let me know three months ahead of when you are planning to go to the USCG and I should be able to get you into a class so you have the certificate required by the USCG for renewal. Please remember this as otherwise you will have to pay your own way to the Mainland and back to take the class in Wilmington, San Francisco, or Seattle. Mahalo,

*Michael Dirksen, Branch Agent*

“The labor movement was the principal force that transformed misery and despair into hope and progress. Out of its bold struggles, economic and social reform gave birth to unemployment insurance, old-age pensions, government relief for the destitute and, above all, new wage levels that meant not mere survival but a tolerable life. The captains of industry did not lead this transformation; they resisted it until they were overcome. When in the thirties the wave of Union organization crested over the nation, it carried to secure shores not only itself but the whole society.”

*MARTIN LUTHER KING, JR.,  
Speech to the state convention of the Illinois AFL-CIO  
October 7, 1965*



*Retired member Elroy Wong at the SUP hall in Honolulu. Elroy is doing well and enjoying his retirement.*

## Dispatcher's Report

Headquarters—Jan. 2018

<b>Deck</b>	
Bosun.....	3
Carpenter.....	0
MM.....	5
AB.....	16
OS.....	6
Standby.....	10
<b>Total Deck Jobs Shipped.....</b>	<b>40</b>
<b>Total Deck B, C, D Shipped.....</b>	<b>31</b>
<b>Engine/Steward</b>	
QMED.....	0
Pumpman.....	0
Oiler.....	0
Wiper.....	0
Steward.....	0
Cook.....	0
Messman.....	0
<b>Total E&amp;S Jobs Shipped.....</b>	<b>0</b>
<b>Total E&amp;S B, C, D Shipped.....</b>	<b>0</b>
<b>Total Jobs Shipped - All Depts.....</b>	<b>40</b>
<b>Total B, C, D Shipped-All Depts.....</b>	<b>31</b>
<b>Total Registered "A".....</b>	<b>27</b>
<b>Total Registered "B".....</b>	<b>59</b>
<b>Total Registered "C".....</b>	<b>19</b>
<b>Total Registered "D".....</b>	<b>23</b>

## Business Agent's Report

February 13, 2018

**Mississippi Voyager**- Last trip in Richmond. The company started re-carpeting our rooms and replacing mattresses. Thanks to Captain Costa for getting the ball rolling. The plan is to re-carpet two rooms a trip. Ship's running up and down the coast El Segundo, Long Beach, Richmond Long Wharf. Running smooth with Bob Turner, Bosun; John McAuliffe, delegate.

**Florida Voyager**- In at Richmond Long Wharf. It's been awhile since this ship's seen the West Coast. She's been running steady between Houston to Florida in at Richmond for a short stay pick a load and sail for Houston. In good hands with Matt Frazier, Bosun. New delegate to be elected.

**Texas Voyager**- Received a call from the Bosun on the Texas Voyager reporting ship's running between Pacaguola and Tampa short stays in and out 22-hour run. Long days, short nights hard working tanker with a hard working gang; nothing we can't handle. Scott Oliphant, Bosun.

**Mokihana**- In at Oakland #63. An unexpected visit from the Mokihana. It's been a year since they made a call to Oakland; she's been on the Northwest run. It's always good to see our "Bradahs" from the Island's ship sailed for Honolulu with no beefs. John Bensen, Serang, Daniel Tun, delegate.

**Kauai**- In at Oakland #62. Clarification on 20 hour washdown rule. This mate only works safety related maintenance on the weekends. In need of charm school. Mike Henderson, delegate. Marc Calairio, Bosun.

**Matsonia**- Oakland #62. Last trip she carried more cows and a extra stocktender who was sick as a dog. These men do not require a physical. This could become a health and safety issues these men are in our mess hall and our living spaces. Mick McHenry, delegate. Dmitri Seleznev, Bosun.

**APL Thailand**- In at Oakland #58. Clarification on company providing working gear/coveralls. Some improvement in the Steward Dept. James Kenny, delegate. Nick Hoodgendam, Bosun.

**APL Belgium**- Oakland #58. Sailed for Dutch Harbor with no beefs. Robert Leeper, Bosun, James Salera, delegate.

**APL Philippines**- In at Oakland #58. Steward got off in Los Angeles and left his relief high and dry with bare cabinets. Ship has enough time to order some food. Joe McDonald, Bosun.

**Admiral Callaghan, Cape Orlando**- Checked in with these ships, no beefs.

**Cape Horn, Cape Hudson, Cape Henry**- Checked in with these ships, no beefs.

*Roy Tufono*

## SUP members join pension ranks

The following SUP members joined the rank of pensioner, bringing the total number of SUP members to 156:

**Vernon Haik**, 62, Book No. 5864, joined SUP in 1981, 27 years seetime.

**Montegue Kalama**, 66, Book No. 3178, joined SUP in 1991, 23 years seetime.