



West Coast Sailors

Official Organ of the Sailors' Union of the Pacific

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Friday, July 25, 2014

Navy League opposes sinking Food for Peace

In a letter last month to Senate Majority Leader Harry Reid (D-Nevada) and Minority Leader Mitch McConnell (R-Kentucky), Bruce Butler, Executive Director of the Navy League of the United States, strongly opposed legislation to gut the Food for Peace Program:

“Dear Senators Reid and McConnell:

On behalf of our 43,000 members, the Navy League of the United States strongly opposes the proposed elimination of the Food for Peace (P.L. 480) program introduced in the Corker-Coons bill, S. 2421. More specifically, the bill proposes to repeal P.L. 480, which was just recently reformed in the bipartisan Agricultural Act of 2014, and to set up in its place a vast new program outsourced primarily to the United Nations, weakening our nation's Merchant Marine and our national security.

The Navy League strongly urges the Senate to reject this bill. The Navy League of the United States is a civilian nonprofit, nonpartisan organization dedicated to informing the American people and their government that the United States of America is a maritime nation, and that its national defense and economic well being are dependent upon strong sea services – U.S. Navy, U.S. Marine Corps, U.S. Coast Guard and U.S.-flag Merchant Marine.

Corker-Coons would eliminate the current requirement that at least half of P.L. 480 cargoes be carried by U.S.-flag vessels crewed by American citizens, when available at fair and reasonable rates as determined by the U.S. Maritime Administration. These food aid preference cargoes, the largest by volume in peacetime, are essential to maintaining our U.S.-flag national defense sealift capacity, and are needed now more than ever. The Department of Defense (DOD) depends on the Merchant Marine for over 95% of our national defense sealift needs in times of war or national emergency; over 90% of all cargoes bound to and from Iraq and Afghanistan were transported on U.S.-flag ships. Replacing this sealift capacity would cost DOD billions of dollars.

Cargo preference has already been cut to the bone in recent years. Considering that the U.S. has less than 100 flagged ships involved in international trade and only 12,000 Merchant Mariners, even small changes can be devastating, let alone a change this dramatic and unmitigated. The nation's framework of maritime cargo preference programs and policies should be viewed for their value as a means to grow and maintain a viable U.S.-flag merchant marine and also for their cost effectiveness since they allow the Department of Defense to

forego the need to spend billions of dollars building and maintaining equivalent assets. The same American mariners that provide this needed value also participate in the food aid programs under cargo preference.

The Navy League strongly opposes the proposed changes to food aid and threats to cargo preference contained in this dangerous proposal. The current program assures reliable sealift resources to the Department of Defense at a low price, preserves national security, and provides wider benefits to the U.S. including transparency, tax revenues, jobs, and savings for other programs. More than \$1.9 billion in U.S. economic output, 40,000 jobs, and our national security are at stake.”

Assault on U.S. Merchant Marine continues on multiple fronts

Crucial maritime programs and policies, and key aspects of the nation's sealift capabilities that depend upon the U.S. merchant marine, have again been placed in crosshairs in Congress. The renewed assault on the U.S. maritime industry has brought persistent threats to the surface and raised new dangers to the job base for U.S. merchant mariners and the long-term readiness of the U.S. military.

Absent the new attacks, the industry was already facing challenging time. With the sharp decline of wartime cargoes to Iraq and Afghanistan, the vast majority carried by U.S.-flag commercial vessels, and the damaging reduction –from 75% to 50%– in the U.S.-flag share the Food for Peace cargoes enacted two years ago, the cargo base for U.S.-flag operators has suffered a dramatic contraction.

Maritime Security Program

In June, the House of Representative approved the Transportation, Housing and Urban Development, and Related Agencies Appropriations Act, legislation that contains funding for the Maritime Security Program (MSP) in fiscal year 2015. Unfortunately the bill failed to fund the program at the authorized \$186 million but instead would provide only \$166 million. If this amount stands, six or more vessels could be lost from the 60-ship MSP fleet.

The Senate version of the Appropriations Bill currently provides for full funding for MSP. The Senate bill has been reported out of committee, but has not advanced to a final vote. After passage it must be reconciled with the House bill.

SUP-contracted APL Marine Services has nine vessels enrolled in MSP.

Food for Peace

Also in June (see last month's *West Coast Sailors*), Senator Bob Corker (R-Tennessee) and Senator Chris Coons (D-Delaware) resurrected the Obama

Administration's failed effort to gut the Food for Peace Program when they introduced the so-called Food for Peace Reform Act of 2014 (S.2421). Rather than continue to ship U.S. grown and produced commodities, the legislation provides for purchasing commodities from foreign sources, vouchers and direct cash transfers. This dangerous proposal removes the role of the American farmer, mariner, dock worker and other stakeholders. Further, the bill directly attacks the maritime industry by eliminating all cargo preference requirements and replacing U.S. mariner jobs with foreign seafarer jobs. While the legislation has gone nowhere and the effort was affirmatively rejected last year in the House of Representatives, it is a clear sign that those looking to cut out the American maritime industry will not stop.

In a cynical twist, the text of the legislation concludes with the following passage: “It is the sense of the Congress that the United States Merchant Marine: (1) is a critical component of our nation's military and economic security; (2) consists of a fleet of private, merchant ships that are registered in the United States and provide domestic and international transportation for passengers and cargo; and (3) with the dedicated crews of mariners that operate the fleet, is an essential part of defense capacity in times of peace and in times of war.”

On the bright side, the Farm Bill that passed the House earlier this year maintains the Food for Peace Program while the House Coast Guard and Maritime Act of 2014 restores the U.S.-flag share of food aid cargoes to 75%, which the Obama Administration vows to fight (see the April *West Coast Sailors*).

Export-Import Bank

The Export-Import (Ex-Im) Bank of the United States is under attack by the Tea Party types and some influential Republicans.

The Ex-Im Bank was established in 1934 by President Franklin Roosevelt for the purposes of financing and insuring foreign purchases of United States goods for customers unable or unwilling to accept credit risk. The bank borrows money from the U.S. Treasury and uses it to help American companies sell abroad by offering low-cost loans to foreign buyers or guarantees against potential losses made by exporters. In fiscal year 2013, the bank authorized \$27 billion to support an estimated \$37.4 billion in U.S. export sales, including aircraft, power-generated equipment and oil and gas projects. That year it sent \$106 billion to the Treasury Department, money it earned from interests and fees.

Why is the Ex-Im Bank important to the SUP and the rest of the maritime industry? Because cargo generated by Ex-Im Bank funding must be transported aboard U.S.-flag vessels. This means tens of thousands of jobs for American citizens throughout the country. The ships and their crews that transport Ex-Im cargoes are a vital part of U.S. national security. They are part of a fleet that meets Defense Department requirements.

The Export-Import Bank does not cost American taxpayers a cent and since 2009 has supported 1.2 million American jobs according to the Bureau of Labor Statistics.

Support for the Ex-Im Bank is one issue where labor and business are in complete agreement.

continued on page 2

ILWU and PMA still bargaining

The contract between the International Longshore & Warehouse Union (ILWU) and the Pacific Maritime Association expired on July 1, but as the *West Coast Sailors* went to press, the parties continue to bargain.

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



SUP Honor Roll

Voluntary contributions from the membership to the following funds:

Organization/General Fund

Wilbert Bowen in memory of
Andy Andersen..... 100.00

Joseph R. Castege in memory of
Frank John Castege...50,000.00

Joseph R. Castege in memory of
Frank John Castege.... 1,000.00

Joseph R. Castege in memory of
George Pierre Castege.50,000.00

Joseph R. Castege in memory of
George Pierre Castege.. 1,000.00

Paul Davis 40.00

Knud Jensen in memory of
Andy Andersen..... 50.00

Antonio Respicio..... 50.00

Political Fund

J. Anderson-Kaisa20.00

Archie Bickford.....50.00

Brandon Bohanan.....50.00

Milton Caballero.....10.00

Mark Calairo.....100.00

David Connolly100.00

Kevin Conroy50.00

Mike Dirksen.....50.00

Marc Dulay100.00

Val Goncharov.....20.00

Juan Gonzalez in memory of
Jack Dalton30.00

Gunnar Lundeborg.....50.00

Joe Mantanona50.00

Donald O'Halloran in memory of
Andy Andersen.....25.00

Vince O'Halloran100.00

Ricky Pangan50.00

John Perez100.00

Danilo Perez.....50.00

Ray Ramirez50.00

Napoleon Ramon.....10.00

Steven Ross50.00

Greg Schauf.....30.00

Anton Seravaseiyar.....25.00

Michael Soper20.00

Daniel TinTun100.00

Louie Urbano.....50.00

Erick Weiss100.00

Elston Wong.....20.00

West Coast Sailors

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Cal Cunningham.. . . .	25.00
Thomas Dougherty	25.00
Robert Doyle	25.00
Michael Fox	50.00
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Dave Munroe	25.00
Ricky Pangan	50.00
John Rescino	30.00
Carl Schou	50.00
Kai Sorensen	25.00
R.E. Walsh.. . . .	20.00

Dues-Paying Pensioners

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

Fire sends cruise ship back to Seattle

A boiler room fire in the Holland America ship *Westerdam* forced it to return to port on June 28. The ship was on its way from Seattle to Alaska when the fire broke out. It was extinguished but then flared up again, so a tug escorted the ship back to Pier 91 in Seattle for inspection.

There were 2,086 passengers and 798 crew on board. No injuries were reported.

Final Departures

Raymond Person, Book #3040. Born in North Carolina in 1924. Joined SUP in 1941. Died in San Pedro, California, January 2, 2014. (Pensioner)

Earl Phillips, Book #3796. Born in Hawai'i in 1924. Joined SUP in 1946. Died in Honolulu, Hawai'i, February 21, 2014. (Pensioner)

Clive Curtis, Book #3885. Born in California in 1922. Joined SUP in 1943. Died in Bakersfield, California, April 13, 2014. (Pensioner)

Andy Simkanin, Book #6553. Born in Pennsylvania in 1925. Joined SUP in 1944. Died in Ft. Lauderdale, Florida, May 17, 2014. (Pensioner)

George Elinoff, Book #1857. Born in Russia in 1921. Joined SUP in 1951. Died in Redondo Beach, California, June 5, 2014. (Pensioner)

Roy Levett, Book #4091. Born in California in 1929. Joined SUP in 1967. Died June 27, 2014. (Pensioner)

Grandson of Matson founder dies

William Matson Roth, grandson of Captain William Matson, founder of Matson Navigation Company, died May 29.

Roth was born in 1916, a year before his grandfather died at age 67. Captain Matson, who came from Sweden as an orphaned teenager, began a long association with Hawai'i in 1882 by sailing his three-masted schooner *Emma Claudina* to Hilo from San Francisco.

Roth's father, William P. Roth, succeeded Captain Matson as company president in the 1950s. The younger Roth was also a top company executive and helped introduce containerization to the industry. He left the company in 1960 when he went to work in the state department for the Kennedy Administration.

Roth ran unsuccessfully for California governor in 1974. His most visible contribution came in 1962, when he and his mother, Lurline Matson Roth redeveloped the old Ghirardelli Chocolate Factory in San Francisco.

South Korea Coast Guard underestimated Sewol/ incident

Even as more than 300 people were drowning when the *Sewol* ferry capsized, the South Korea coast guard informed the country's president that 370 passengers and crew had been rescued.

This came to light when phone conversations transcripts, between the coast guard and President Park Geun-hye, were revealed on July 2, during a hearing held by the parliamentary committee convened to probe the *Sewol* incident.

Transcripts of phone calls between coast guard officials and the Blue House (South Korea's White House) also suggested that the coast guard had procrastinated over rescue operations. Around 0945 hours local time, about an hour after the *Sewol* began listing, the Blue House's emergency management headquarters asked the coast guard if rescue work had begun. According to the phone transcripts, the coast guard replied, "Well, it's not the time to start rescue work. We're just watching the situation because no passenger has jumped from the ferry yet."

Precious time was also lost when at 1250 hours that day when the coast guard held 119 rescue service workers from deploying divers to the scene, claiming that the coast guard was preparing for rescue work. Transcripts show that barely 10 minutes later, the coast guard informed the Blue House that 370 people were rescued. At 1436 hours, however, Blue House officials were dismayed to hear that only 166 people had been rescued at the time.

The ferry capsized during a routine Incheon-Jeju trip on April 6, killing an estimated 304 of 476 passengers and crew. So far, 293 bodies have been recovered while 11 remain missing.

Assault on U.S. Merchant Marine

continued from page 1

Both the AFL-CIO and the U.S. Chamber of Commerce are strong advocates.

However, the 80-year-old agency's charter expires on September 30, and must be reauthorized by Congress. Opposition is coming from some influential representatives, including Congressman Jeb Hensarling (R-Texas), Chairman of the House Financial Services Committee, which has jurisdiction over the bank, and the incoming House Majority Leader Kevin McCarthy (R-California), who recently declared his opposition to the reauthorization –a reversal from his 2012 vote backing the bank the last time it was reauthorized. The key reason for the opposition is the Tea Party suspicion that the bank is a form of corporate welfare as Boeing and General Electric are two of the largest beneficiaries of Ex-Im Bank loans.

Two conservative groups, Heritage

Action for America and Club for Growth, are expected to make reauthorizing the agency a "key vote" the groups will use in their annual ratings of lawmakers, as they did in 2012. Although most Republicans support reauthorization, some Tea Party-types covet the support of the conservative groups.

It must be noted that the Ex-Im Bank has its counterparts in 60 other countries.

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Port of Long Beach chooses new chief executive

After nearly a yearlong search, the Long Beach Board of Harbor Commissioners has found its new port chief: Jon W. Slingerup, an executive whose career has included leadership roles at FedEx Canada and environmental technology companies.

“After an extensive, nationwide search, the Board of Harbor Commissioners is very pleased to recommend the appointment of Jon Slingerup as the port’s new chief executive,” Harbor Commissioner President Doug Drummond said in announcing the decision. “He’s an extremely capable leader, proven team-builder and expert at managing a world-class organization. In our highly competitive, quickly changing industry challenged by major environmental and energy issues, he’s the perfect person for the job.”

The decision was made during an executive session after the board’s regular meeting on June 23. Slingerup was confirmed in a special public meeting on June 30.

“I am extremely pleased to be joining the Port of Long Beach team, which has

a long and distinguished record of operational excellence, technological innovation and environmental stewardship,” Slingerup said. “The Port of Long Beach is investing billions of dollars in advanced technology and infrastructure development, and I look forward to working with our team to flawlessly execute our capital plans and deliver exceptional value to our customers and community stakeholders to ensure the continued growth and expansion of our port.”

Slingerup has more than 30 years of corporate leadership experience at businesses ranging from technology startups to FedEx Canada, where he capped his career with FedEx as president of the subsidiary. Since that time, he has served as a CEO and director of environmental technology companies focused on marine ballast water treatment, renewable energy and distributed power general.

The Port of Long Beach has been searching for a new leader since J. Christopher Lytle left last July to serve as Executive Director of the Port of Oakland.

House appropriations bill increases Harbor Maintenance Tax spending

The House of Representatives this month easily passed an Energy and Water Appropriations bill for fiscal year 2015 that funds agencies such as the Army Corps of Engineers, which is responsible for maintaining and upgrading navigable channels for inland waterways and harbors. Included in the bill is an amendment to increase spending from the Harbor Maintenance Trust Fund by \$57.6 million to meet the target set in the recently enacted Water Resources Reform and Development Act (WRRDA).

For many years, Congress has only spent half the fees collected from importers, cruise passengers and coast-wise shippers for intended dredging purposes. The rest of the money has been shielded to offset other spending in the federal budget and make the deficit look smaller.

Last year, the government collected more than \$1.7 billion from the Harbor Maintenance Tax, but Congress only appropriated about \$850 million for channel maintenance. The HMTF has a surplus of more than \$8 billion.

Under WRRDA, congressional appropriators are to utilize 67% of trust fund dollars for the coming fiscal year, rising to 100% by 2025.

The amendment, which was presented by Congresswoman Janice Hahn (D-California), and Congressman Bill Huizenga (R-Michigan), was offset by decreasing funding in the energy side of the bill. Hahn is co-chairman of the PORTS Caucus.

“This amendment is a win for ports across the country and is critical to keeping our nation globally competitive,” Hahn said in a statement. “My colleagues and I have been working for years to increase funding for our nation’s ports and to fully utilize the Harbor Maintenance Trust Fund to ensure money that’s collected at our ports goes back to our ports. For too long, we have failed to fund critical infrastructure projects, and our economy has suffered because of it. With the expansion of the Panama Canal nearing completion, we cannot wait any longer to ensure that our nation’s ports are prepared. The overwhelming bipartisan support that this amendment received shows just how important this issue is, not just to port communities, but to our entire nation.”

The Senate has yet to take up the Energy and Water Appropriations bill. The American Association of Port Authorities is working to convince Senate leaders to schedule a vote as soon as possible.

A month ago, the Senate Appropriations Subcommittee on Energy and Water approved a \$34.2-billion budget for the Army Corps, Department of Energy, Department of Interior and some independent agencies. The bill recommends more than \$5.1 billion for the Army Corps for operations and maintenance of waterways. The full committee has not voted on the bill.

UAW establishes voluntary Chattanooga VW Union

The United Auto Workers (UAW) will be establishing a local affiliate in Chattanooga, Tennessee, with a voluntary structure. Plant workers can voluntarily join the Chattanooga local. When a majority of plant workers become members, the UAW will request exclusive bargaining rights for the rest of the plant workers as well.

Almost six months have passed since workers rejected joining the Union, 712-626. Almost 35% of the plant’s 1,550 eligible employees voted. However, the UAW believes that there continues to be a

strong base of support for unionizing the plant. It’s hoped that the Tennessee workers that have participated in prior UAW organizing drives will again actively be an important force in this new effort to establish a foothold in an anti-Union state.

“We will be announcing a local, and we would fully expect that Volkswagen would deal with this local Union if it represents a substantial portion of its employees,” said UAW Secretary-Treasurer Gary Casteel.



Bosun Kris Skorodynski, AB John Hoyme, and AB Saher Ali., break for coffee on the mess deck of the APL Singapore in Oakland on July 4. Photo: Dave Connolly.

“We should do everything we can to strengthen Unions,” Obama says

“Unions brought America the eight-hour workday and the weekend,” President Obama reminded the audience at a question and answer session with technology workers in Pittsburgh this month. “I don’t think it’s an exaggeration to say that our middle class was built in part because Unions were able to negotiate weekends and overtime and benefits, things that now non-Union workers take for granted,” the President said. “America was built by workers who over time, through a lot of struggle, got the right to bargain collectively.”

The President made the remarks in response to a question from a journeyman sheet metal worker who said he is planning to start his own business and added, “I prefer to use organized labor because I know the level of our training and the pride that we take in our work.”

“The good news is that typically Union workers know how to do the job,” Obama said. “What you may lose incrementally because you’re paying slightly higher wages or higher benefits, you’re gaining in skills, reliability, productivity and if you can create a culture where employers and workers feel both are invested, companies can succeed over time and can thrive.”

L.A. hopes promenade will help revitalize San Pedro waterfront

A \$32 million promenade has opened in San Pedro in what port officials view as a key step in creating a vibrant Los Angeles waterfront.

Harbor and Town Square replaces a parking lot at the Port of Los Angeles with new public docks for recreational boaters and wooden walkways for strolling along the inlet. The promenade –off Harbor Boulevard between 5th and 6th streets– will host festivals, concerts and movie nights while providing a link between downtown San Pedro and the harbor.

The 1.2-acre project is part of a broader vision for an extensive waterfront where families can dine and listen to music while watching cargo ships traverse the nation’s largest container port.

The ambitious plan, estimated to cost more than \$1 billion when completed in 2030, includes an eight-mile promenade, public parks and an extension of the 1.5-mile Red Car trolley line. Two years ago, a crafts marketplace debuted in a vacant 1944 naval warehouse. Next door, a brewery is slated to open early next year. And a \$125 million upgrade of the Cabrillo Way Marina was completed in 2011.

A major part of the transformation, the redevelopment of the aging Ports O’Call Village, has largely fallen on hard times. Negotiations, though slow, are ongoing between the port and two private developers to revamp the 30-acre property.

Port officials see redevelopment and tourism as ways to diversify its revenue stream amid increased competition from overseas and East Coast facilities. The San Pedro waterfront has become less attractive for industrial uses amid environmental concerns and the rise of massive container ships, port spokesman Arley Baker said. Cargo operations fit better at other parts of the port where mega-ships can move around more easily, he said. “The waterfront historically has been pretty industrial,” Baker added. “What we are trying to do with this L.A. Waterfront is to create a destination.”

Part of the draw for both tourists and Angelenos will be the town square, which opened last month. Recreational boaters can dock free of charge for four hours, leaving their vessels behind to visit the adjacent U.S. battleship *Iowa* or other attractions. Boosters also hope people will stroll up 6th Street to spend their dollars in the nearby downtown area that is being revitalized.

In sort of a coming-out party, the waterfront promenade will serve as an event space for the Tall Ships festival in August. Several majestic “pirates of the Caribbean”-like ships will rotate through the new harbor during the five-day event. Visitors also can dine at food trucks and listen to mariachi and rockabilly performers.



Washington State Labor Council

AFL-CIO endorsements for August 5 Primary election

JUDICIAL RACES

State Supreme Court, Position 1 – Mary Yu
State Supreme Court, Position 3 – Mary Fairhurst
State Supreme Court, Position 4 – Charles Johnson
State Supreme Court, Position 9 – Debra Stephens

CONGRESSIONAL DISTRICT RACES

1st District – Suzan DelBene
3rd District – Bob Dingethal
4th District – Estakio Beltran
5th District – Joe Pakootas
6th District – Derek Kilmer
7th District – Jim McDermott
8th District – Jason Ritchie
9th District – Adam Smith
10th District – Denny Heck

BALLOT MEASURES

Initiative 1325 - NO

Tim Eyman’s “blackmail” measure to compel the Legislature to change the State Constitution and require a two-thirds supermajority vote for all tax increases. If the Legislature refuses, it would force a \$1 billion cut in revenue for schools, universities and other state services.

Initiative 1351 - YES

Reducing class sizes so that students of all ages and backgrounds, from all parts of our state, have the opportunity to learn and succeed in uncrowded classrooms.



LEGISLATIVE DISTRICT RACES

1st District – House 1 – Derek Stanford
House 2 – Luis Moscoso
2nd District – House 1 – Greg Hartman
3rd District – House 1 – Marcus Riccelli
House 2 – Timm Ormsby
5th District – House 1 – Essie Hicks
6th District – Senate – Rich Cowan
8th District – House 2 – Larry Haler
11th District – House 1 – Zack Hudgins
House 2 – Steve Bergquist
17th District – House 1 – Monica Stonier
18th District – House 1 – Michael Briggs
House 2 – Maureen Winningham
19th District – House 1 – Dean Takko
House 2 – Brian Blake
21st District – House 1 – Justin McMahon and Strom Peterson
House 2 – Lillian Ortiz-Self
Senate – Marko Liias
22nd District – House 1 – Chris Reykdal
House 2 – Sam Hunt
23th District – House 1 – Sherry Appleton
House 2 – Drew Hanson
24th District – House 1 – Kevin Van de Wege
House 2 – Steve Tharinger
25th District – House 1 – Dawn Morrell
26th District – House 1 – Nathan Schlicher
House 2 – Larry Seaquist
Senate – Judy Arbogast
27th District – House 1 – Laurie Jenkins
House 2 – Jacob Fey
28th District – House 1 – Mary Moss
House 2 – Christine Kilduff and John Connelly
Senate – Tami Green
29th District – House 1 – David Sawyer
House 2 – Steve Kirby
Senate – Steve Conway
30th District – House 2 – Roger Freeman
Senate – Shari Song

31st District – Senate – Pam Roach
32nd District – House 1 – Cindy Ryu
House 2 – Ruth Kagi
Senate – Maralyn Chase
33th District – House 1 – Tina Orwall
House 2 – Mia Gregerson
Senate – Karen Keiser
34th District – House 1 – Eileen Cody
House 2 – Joe Fitzgibbon
Senate – Sharon Nelson
35th District – House 1 – Kathy Haigh
Senate – Irene Bowling
36th District – House 1 – Reuven Carlyle
House 2 – Gael Tarleton
Senate – Jeanne Kohl-Welles
37th District – Senate – Pramila Jayapal
38th District – House 1 – June Robinson
House 2 – Mike Sells
Senate – John McCoy
39th District – House 2 – Charles Jensen
40th District – House 1 – Kris Lytton
House 2 – Jeff Morris
41st District – House 1 – Tana Senn
House 2 – Judy Clibborn
42nd District – Senate – Seth Fleetwood
43th District – House 1 – Brady Walkinshaw
House 2 – Frank Chopp
44th District – House 1 – Hans Dunshee
House 2 – Michael Wilson
45th District – House 1 – Roger Goodman
Senate – Matthew Isenhower
46th District – House 1 – Gerry Pollet
House 2 – Jessyn Farrell
Senate – David Frockt
47th District – House 1 – Chris Barringer
House 2 – Pat Sullivan
48th District – House 1 – Ross Hunter
House 2 – Joan McBride
Senate – Cyrus Habib
49th District – House 1 – Sharon Wylie
House 2 – Jim Moeller



Hawai’i State AFL-CIO

AFL-CIO endorsements for August 9 Primary election

STATEWIDE

Lieutenant Governor – Shan Tsutsui
Congressional District 2 – Tulsi Gabbard

STATE SENATE

Senate District 1 – Gil Kahele
Senate District 3 – Josh Green
Senate District 4 – Malama Solomon
Senate District 5 – Gil Keith-Agaran
Senate District 6 – Roz Baker
Senate District 7 – Kalani English
Senate District 12 – Brickwood Galuteria
Senate District 16 – Breene Harimoto
Senate District 18 – Michelle Kidani
Senate District 21 – Maile Shimabukuro
Senate District 23 – Melodie Aduja

STATE HOUSE

House District 1 – Mark Nakashima
House District 2 – Clift Tsuji
House District 3 – Richard Onishi
House District 5 – Richard Creagan
House District 8 – Joseph Souki
House District 9 – Justin Woodson
House District 10 – Angus McKelvey
House District 11 – Kaniela Ing
House District 12 – Kyle Yamashita
House District 13 – Mele Carroll
House District 14 – Derek Kawakami
House District 16 – Dee Morikawa
House District 17 – Chris Stump
House District 18 – Mark Hashem
House District 19 – Bert Kobayashi
House District 21 – Scott Nishimoto
House District 22 – Tom Brower
House District 24 – Della Belatti
House District 25 – Sylvia Luke
House District 28 – John Mizuno
House District 29 – Karl Rhoads
House District 32 – Linda Ichiyama
House District 33 – Arnold Wong
House District 34 – Greg Takayama

House District 35 – Roy Takumi
House District 36 – Marilyn Lee
House District 37 – Ryan Yamane
House District 38 – Henry Aquino
House District 39 – Ty Cullen
House District 40 – Rose Martinez
House District 44 – Jo Jordan
House District 45 – Mike Magaoay
House District 46 – Marcus Oshiro
House District 47 – Kent Fonoimoana
House District 49 – Ken Ito
House District 51 – Chris Lee

HONOLULU CITY COUNCIL

Council District II – Ernie Martin
Council District VI – Carol Fukunaga
Council District VIII – Brandon Elefante

HAWAII COUNTY COUNCIL

District 1 – Valerie Poindexter
District 2 – Aaron Chung
District 3 – Dennis “Fresh” Onishi
District 4 – Gregor Ilagan
District 5 – Danny Paleka
District 6 – Maile David

District 7 – Dru Mamo Kanuha
District 8 – Karen Eoff
District 9 – Ronald Gonzales

MAUI MAYOR

1. Alan Arakawa

MAUI COUNTY COUNCIL

East Maui – Robert Carroll
West Maui – Butch Buenconsejo
Wailuku-Waihee-
Waikapu – Mike Victorino
Kahului – Joe Pontanilla
South Maui – Donald Couch
Upcountry – Gladys Baisa
Lanai – Riki Hokama
Molokai – Stacy Crivello

KAUAI MAYOR

1. Bernard Carvalho

KAUAI COUNTY COUNCIL

1. Ross Kagawa
2. Mel Rapozo

Bravery at sea: a story of survival

A year ago the 318-foot, 5500-ton Bangladesh-flagged vessel *M/V Hope* was abandoned enroute from Penang, Malaysia to Chittagong, Bangladesh. Of the 17 crewmembers aboard, only nine survived. One of those was second mate Mohammad Mobarak Hossain who had been in the sea before being rescued by the *HTMS Pattani* of the Royal Thai Navy. The following is his tale of survival:

“3rd July, 2013. I went on the bridge at 2300: every day I used to take over my watch one hour before due time, and that day also I did so. The Captain went below.

From the beginning of the passage the sea was rough. The ship was rolling and pitching simultaneously. But about 0015 I observed a sudden smoothing of the sea. The pitching stopped but the ship was still rolling. But this rolling was different. The ship rolled to starboard about 2 to 5 degrees and came upright. But we didn’t roll to port. That made me suspicious. I called the Master and told him about the ship’s abnormal behavior.

While talking we felt another roll to starboard – bigger than before. He said, “I am coming to the bridge.” I started to alter the ship’s course to eastward as wind and swell were from the west. In the meantime the Chief Officer also called the bridge, asking about the ship’s list. I suggested he come to the bridge too.

By the time the Master and Chief Officer arrived the rolling had reached about 15 degrees. The Master ordered the Chief Officer to prepare the lifeboats and all the other relevant safety equipment. The Master and I remained on the bridge. We sent a distress alert by all available means. The Captain asked the 2nd Engineer to attend the engine room: if necessary we would ring the telegraph for him to leave. I collected all the GMDSS equipment, gathered it in a bag and sent it to the boat station. By this time the ship had listed to almost 35 degrees.

Everything was falling down from port side to starboard side. The bridge floor became slippery: it was raining. We couldn’t walk properly. Two ships acknowledged our distress signal. One was 12 miles ahead of us, another 4 miles on our port beam. We asked the second ship for assistance. She followed us for about an hour, maintaining half mile distance, while we tried to reach the coast.

Suddenly there was a blackout on the ship. I became worried about the 2nd Engineer: he was in the engine room and it would be difficult to come up. I went onto the bridge wing and shouted to the crew, “Someone go down with a torch to bring out the 2nd Engineer.” But he was already there.

The Master and I came down from the bridge. But when we arrived at the boat station we found that nothing had been prepared: there was panic. So I didn’t bother anybody and began getting the liferaft ready to be lowered, helped only by one of the deck cadets.

Once the liferaft was lowered, I thought we should all wait aboard until it was clear the ship would sink. I went back to the bridge to collect the relevant charts and other important items. But while going up the stairs I could hear the sound of people jumping into the water. I had a look from the bridge wing and saw the Chief Officer jumping.

After taking the charts from the bridge I came down and found nobody onboard except me & the 2nd Engineer. I saw that some of the crew couldn’t catch the lifer-

aft: they were floating away with the current. The Chief Officer was one of them. The Captain boarded the liferaft safely. From there he was shouting, “Jump! Jump! We are waiting for you. I am going to cut the painter line.” Then I thought I should join the group. I suggested to the 2nd Engineer that he should jump. But he said to me to jump first.

I jumped from the starboard quarter, wearing lifejacket and immersion suit. I was swimming to join the liferaft but it was drifting away. I could see the Captain very near to me and could hear him shout, “Get hold of my hand, hold my hand!” But I couldn’t catch hold of it.

Someone from the raft threw a lifebuoy. I caught that but couldn’t reach the liferaft. The current pushed me away. The ship standing by observed that I couldn’t board the liferaft. She came to rescue me. But she was heading for me at speed. She came too close: her bulbous bow injured my right hand and leg.

She had rigged a pilot ladder and two lifebuoys on each side. But I couldn’t catch hold of them because of her bow wave. She approached a second time. But I was scared, as I had been struck by the bow and injured the first time, and I swam away. From the water I was shouting to them to lower the rescue boat. But they didn’t.

A third time she started to head towards me. Now I was thinking that I shouldn’t be scared. I should catch hold of the bow or a lifebuoy or ladder. Though I might be injured, I would survive. So I was maintaining a position right ahead of the ship. Her bulbous bow was out of the water: she was a bigger ship than ours. Then the bow hit my head and I sank deep underwater.

My lifejacket and lifebuoy floated me up again. But I was sucked up under the bottom of the ship. To save my head I tried to fend off the keel with my left arm. The ship was running over me and took off the flesh. I was swallowing sea water through my nose and mouth.

Luckily I came out from under the ship. I found I was bleeding from both my hands, my head and my leg. My immersion suit was torn and water was getting in. So I took the suit off. I shouted to the ship’s crew, telling them I was injured and asking them to lower a rescue boat. They heard me but did nothing.

I saw no lookout forward on any of the three approaches. After that I started floating again with my lifejacket and lifebuoy. Suddenly I started vomiting. That went on for a long time. During this time I saw that a few lights were floating here and there. One of them came close to me. I shouted to him. It was one of the deck cadets.

We swam to each other, and floated holding hands. Suddenly a big swell came and the cadet lost his lifejacket. He became nervous and said, “What will happen to me? I will die.” He started swimming to catch his lifejacket again. But I didn’t let him go. I said, “If you leave me you will be lost. Don’t worry. We will stay together. Come inside my lifebuoy. We will face the situation together.”

I took him inside my lifebuoy: we were stowed so compactly that nothing could knock us out of it. We waited for the liferaft to be rescued, believing that the ship would then come back for us. But after sunrise she went away and was lost to sight.

The sea current was opposite to the direction of the swell. As most of us was

under water, we were moving against the swell. Around 9 or 10 o’clock in the morning I saw a helicopter and a ship with a blue hull about 6 or 7 miles away from us. We tried to attract their attention by waving our lifejacket but nobody saw us.

I was thinking that if I had my walkie-talkie with me I could contact them. But all the GMDSS equipment, including my walkie-talkie, had been transferred to the liferaft. After some while the helicopter and the ship went away. I watched the sun to determine the way we were floating. I realized that we were drifting westward where there was no coast, no land and no shipping routes.

I became sure that we would die. Most of the time I was thinking about the Captain’s hand and regretting that only that little distance had meant that I couldn’t join the raft. I thought that everybody in the liferaft would surely survive.

After some time I found some fishes were biting our toes and fingers. Luckily they were not so big: their length was less than a meter. If I kept my legs still, the fish started to bite. For that reason I kept moving my legs all the time.

About 1400 I heard a loud cry: “Al-lah!” I shouted, “Who is there? Raise your hand. Come closer.” But there was no reply. Around an hour later I saw a body floating close to us. We swam to it: it was one of the oilers. We checked thoroughly whether he was alive, but he was dead. I released the body and again started floating.

We were experiencing a very high swell and as we were floating against it I was getting hurt by each wave. I could hardly tolerate the situation. I couldn’t see any possibility of being rescued. I accepted death. My pain became meaningless to me because today or tomorrow I would die.

Once, I convinced myself to leave the lifejacket and get down underwater. But I didn’t do that just to check my stamina. My whole body became numb with pain but I didn’t lose hope. I was fighting for life in the deep sea.

Just before sunset I saw two more bodies floating ahead of us, moving up and down in the high swell. One of them was alive: he was shouting. The other was our Captain and he was dead. But I couldn’t reach them. The sun set and they became invisible.

Everything was dark. Our lifejacket light had died as it only had 8 hours’ life. The cadet slept on my back. He was cold too and asked permission to hug me.

Sometimes ships were visible. I could see one ship near to us. I started to blow the lifejacket whistle. I think that ship heard my whistle but couldn’t identify us as we had no lights. Later we saw some fishing net lights. We tried to reach them but were unable to for the high swell.

Both of us hardly survived the second night. After sunrise I couldn’t control my sleepy eyes. I slept and the cadet was awake. The swell splashed my face and kept waking me up. Slowly I was losing my normal mental condition. I was experiencing hallucinations: I had the feeling that our ship had been re-boarded by everyone except us.

About 4 o’clock in the afternoon I opened my eyes and saw a ship near to us. She threw two lifebuoys with lines. I told the cadet to catch one. He caught the forward one and was able to climb in. I caught the aft one and found myself beneath the curvature of the ship’s hull. They were pulling the lifebuoy. But I was getting scratched against the hull.

So I left the buoy and started floating again. They too did not lower a rescue boat. After floating for half an hour more I saw a Thai Navy ship, and found two divers in the water. A stretcher was lowered by winch. The divers helped me into it. I was rescued just before sunset.

If the sun had set, I would not have lived. I had no lights and gradually I was losing my stamina. For that I feel very lucky. After floating for more than 40 hours I was rescued at last.

Aboard the Navy ship they gave me primary treatment then took me to the hospital by helicopter. After being rescued I heard that not everyone had been rescued from the liferaft. The first rescue ship had hit the liferaft with her bow as she did me. The raft capsized and everyone was scattered. Only five men could be brought aboard the ship. Another crew member survived by holding onto the liferaft: a helicopter rescued him.”

Mobarak was the last of nine of Hope’s crew to be rescued. Two bodies were recovered, including that of the Chief Officer. The Captain and the 2nd Engineer are among the missing.

Credit: International Maritime Rescue Federation

Bangladesh awarded majority of Bay of Bengal

A United Nations tribunal has awarded Bangladesh nearly four-fifths of an area sprawling over 9,700 square miles in the Bay of Bengal, ending a dispute over a sea border with India that has ruffled ties between the neighbors for more than three decades.

The verdict opens the way for Bangladesh to explore for oil and gas in the Bay of Bengal.

“It is the victory of friendship and a win-win situation for the people of Bangladesh and India,” Bangladesh Foreign Minister Abul Hassan Mahmood Ali told a news conference on July 8, to announce the ruling of the Hague-based Permanent Court of Arbitration (PCA) on the sea boundary. “We commend India for its willingness to resolve this matter peacefully by legal means and for its acceptance of the tribunal’s judgment.”

India also welcomed the judgment, reflecting new Prime Minister Narendra Modi’s focus on building closer regional ties. “The settlement of the maritime boundary will further enhance mutual understanding and goodwill between India and Bangladesh by bringing to closure a long-pending issue,” the Indian Ministry of External Affairs said in a statement. “This paves the way for the economic development of this part of the Bay of Bengal, which will be beneficial to both countries.”

The decision brings to an end an arbitration process Bangladesh began back in 2009 under the U.N. Convention on the Law of the Sea, over disputes with Myanmar and India. The dispute with Myanmar was settled in 2012 after an arbitration hearing at the International Tribunal on the Law of the Sea in Hamburg.

ESU Office As-signments

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



JULY 2014

Official Publication of the Exxon Seamen's Union

Second Memorandum of Understanding between the ESU and SeaRiver Maritime, Inc.

The Union and the Company concluded another round of Contract Negotiations July 2, 2014 and reached an MOU based on the Company's Final and Best Offer. The following summary of bargained changes to the Agreement between the Exxon Seamen's Union and SeaRiver Maritime, Inc. is provided to aid in explaining the official Memorandum of Understanding.

After extensive discussions, in the 2nd round of bargaining the Parties agreed to a wage package which was sent out to the membership for a vote. The Union's bargaining committee believes that we have reached the best possible results. Not only does the offer include a general wage increase and a lump sum signing bonus, all other provisions that were negotiated in our earlier session remain the same. Therefore, the ESU Board unanimously recommends that the membership accept this offer.

The Contract term is 5 years. As stated earlier, the Board spent a lengthy time considering this issue and concluded there are advantages to our membership in a longer Contract. The term provides stability for a longer period of time without risking the loss of any contractual rights. It is important to note there were no concessions made by the ESU and no Contractual rights lost.

New ballots were mailed out by the Union and the count will be performed as usual by the American Arbitration Association in New York. The voting period as established by the Negotiating Committee will run from July 2nd through August 19th, 2014. Results should be available later that day.

After the membership rejected the 1st MOU, the Union President and Vice President with help from the other Board members spent a great deal of time talking to Union members to determine why the 1st MOU was rejected. Based on the information the Negotiating Committee developed a proposal to address the concerns as expressed by the membership. The committee believes that those concerns have been addressed in the attached MOU.

The ESU Board encourages any members that are in need of further explanation or clarification of the proposed 2014 Contract to contact the ESU office (832-295-3047) or speak to any Executive Board officer.

Below is the MOU:

Length of Contract and Wage Increase

- 5 year contract (9/1/2014 through 8/31/2019).
- Fixed base wage, CSB, SSHOT, OT, and Penalty increase of 3.50% effective 9/1/20 14, if ratified by that date.
- Fixed base wage, CSB, SSHOT, OT and Penalty increase of 3.00% effective 9/1/2015.
- Fixed base wage, CSB, SSHOT, OT, and Penalty increase of 3.00% effective 9/1/2016.
- Fixed base wage, CSB, SSHOT, OT, and Penalty increase of 3.00% effective 9/1/2017.
- Fixed base wage, CSB, SSHOT, OT, and Penalty increase of 3.00% effective 9/1/2018.
- Upon ratification of the agreement by the membership, but not earlier than 9/1/2014, a non-benefit bearing lump sum ratification bonus of \$2,500 will be paid to all active unlicensed employees.

Involuntary Sea Tour Penalty

Amend Article VII, Section 11 to read, as follows,

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

Subsistence

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

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

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

While an employee is joining, departing, or serving on a vessel that is engaged in foreign trades and incurs meal expense in that area for which he/she is entitled under some provision of this Agreement to one or more cash subsistence payments in lieu of meals, the rates for such payments will be \$14 per day for breakfast, \$18 per day

for lunch, and \$28 per day for dinner. In no case will the rates listed above be less than those rates to which he/she is entitled under the provisions of this Agreement. In foreign trades and shipyards the per diem amount will be indexed according to COMPANY foreign assignment procedures.

Tank Cleaning On Deck Off Watch

Insert the following as a new paragraph at the end of Article XII, Section 17:

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

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

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

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

PPE Programs

Amend Article XII, Section 22(C), as follows:

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

Laundry facilities

Insert the following as a new paragraph under Article XII, as Section 23:

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

Special Marine Plans

Amend Article XVIII (Benefits Plans), Section 4, to read as follows:

Effective 9/1/2014, the following plans covered by this Agreement have been updated and are attached in separate addenda.

- A. Special Sea Service Annuity Program
- B. Sea Service Allowance Program

Ship reports

S/R American Progress

The vessel continues to call on Gulf coast ports for mogas and diesel trades. After loading at ExxonMobil Baytown Refinery the vessel departed for Yabucoa, Puerto Rico. Regular Ship Representative Mike Harrison on board. The vessel is supposed to return to the Gulf for loading orders.

Kodiak

The vessel remains at the lay berth in Vancouver, Washington. After a brief call for the vessel to be activated and after putting a full crew compliment on board, the vessel never came out of the hot layup status. After a week, the company determined there was no further need to have a full crew assigned and recently started to de-man the vessel. Most of the crew that was signed off the vessel were being transferred to other ships. The *Kodiak* will remain in a warm layup status with a couple of officers on board until further notice.

Liberty Bay

After taking its first cargo from a lightering operations at the South West Passage Lightering Area the, *Liberty Bay* discharged the cargo at ExxonMobil Refinery in Baytown, Texas, where ESU Officer Leo DeCastro visited the vessel on July 6. Tim Williams filling in as Ship Representative and reports all is going well. The crew has been working very hard to make sure the vessel is fully operational and ready to start a new chapter in the SeaRiver fleet. There were some challenges at first but as usual the ESU membership with hard work and professionalism came through as always. The ship is expected to be in Valdez, AK around September 21, to load its first cargo on the West Coast.

Sierra

The *Sierra* continues in ANS trade between Valdez and West Coast Ports. Board officer Leo DeCastro visited the vessel on July 7, in Long Beach. Regular Ship representative AB Thor Floreen back on board and reports everything going well aboard ship.

2013 ESU Financial Statements

As per the Exxon Seamen’s Union Constitution and By-Laws, one of the duties of the Vice-President/Treasurer is to have the Union’s finances reviewed by a certified accountant. The following is a summary of the year-end 2013 Financial Statements prepared for the ESU by Ratliff & Jentho, Certified Public Accountants in Baytown, Texas.

“We have reviewed the accompanying statement of assets, liabilities, and net assets – modified cash basis of the Exxon Seamen’s Union (a non-profit organization) as of December 31, 2013, and the related statement of support, revenue and expenses – modified cash basis for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of the Exxon Seamen’s Union.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with the modified cash basis of accounting, as described in Note 1.”

NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization

Exxon Seamen’s Union (“the Union”) is a non-profit union organized on March 28, 1941. Its purpose is to bargain collectively and seek to attain harmonious relations with their employer, to render service to their fellow employees, to secure proper representation and to provide adequate administration under their Constitution.

In September 1999, the Union organized a lateral affiliation with the Sailor’s Union of the Pacific in order to strengthen the bargaining position of its membership. The Union pays a per capita affiliation fee to the Sailor’s Union of the Pacific in the amount of \$5 per month. The Union is exempt from federal income tax as a labor union described in Section 501(c)(5) of the Internal Revenue Code. The Union’s Form 990EZ, Return of Organization Exempt from Income Tax, for the fiscal years ending in 2011, 2012 and 2013 are subject to examination by the Internal Revenue Service, generally for three years after the date they were filed.

Basis of Accounting

The Union’s policy is to prepare its financial statements on the modified cash basis of accounting. Under this method, revenue is recognized when received rather than when earned, and expenses (other than depreciation) are recognized when cash is disbursed rather than when the obligation is incurred.

NOTE 2 – FIXED ASSETS

Fixed assets are recorded at cost and depreciated over the estimated useful lives of the assets using straight-line and accelerated methods. Expenditures for repairs and maintenance are charged to expense as incurred.

Fixed assets consist of the following as December 31, 2013:

	COST	ACCUMULATED DEPRECIATION	NET
Automobiles	\$19,211.00	\$(19,211.00)	\$0.00
Office Equipment	1,553.00	(1,553.00)	0.00
Furniture and Fixtures	563.00	(563.00)	0.00
Total	\$21,327.00	\$(21,327.00)	\$0.00

Depreciation charged to income was \$447 in 2013.

NOTE 3 – LEASES

During the year ended December 31, 2013, the Union leased alternative office space in Pasadena, Texas. The office facility in Pasadena, Texas was leased on a fifteen month basis with the current lease expiring April 30, 2014. The lease requires monthly payments of approximately \$540 including certain utility expenses, through April 30, 2014. Rental expense for the office facilities amounted to \$6,411 for the year ended December 31, 2013. The Union renewed the lease under similar terms and conditions through July 28, 2015. The future lease payments for the office facilities including the 15 month renewal amount to \$10,695 through July, 2015.

This office facility is also occupied by members of the Executive Board Officers as a residential unit during their period of service to the Union. During 2013, the monthly rental expense including utilities for this facility was split equally between the Union and the officer residing in the residence.

NOTE 4 – CONCENTRATION OF CREDIT RISKS

The Union maintains bank accounts at institutions insured by the Federal Deposit Insurance Corporation (“FDIC”). As of December 31, 2013, the carrying amount of the organizations bank balance was \$172,016. The bank balance was covered by \$172,016 of FDIC insurance.

EXXON SEAMEN’S UNION Statement of Assets, Liabilities and Net Assets as of December 31, 2013

Current Assets	Cash	\$171,970.00
	Other Assets	\$500.00
	Total	\$172,470.00
Liabilities	Credit Card	\$1,010.00
Total Net Assets Less Liabilities		\$171,460.00

Every vessel will have a hard copy of the full report in August 2014. ESU members that would like to review the report, please ask your Ship Representative to make it available and if you have any questions please feel free to call Vice President/Treasurer Leo DeCastro at the ESU office.

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

Liberty Bay first unlicensed crew



Standing from left: AB Paul Clow, MS Don Bacon, FC Kurt Kreick, MS Wilbert Jackson, AB Roque Salute, CK Butch Berrios, AB Larry Miles, QMED Eric Guzman, AB Mallory Thomas. Kneeling from left: MS Danny Breaux, AB Ernie Evangelista, AB Kevin Conroy, PM Tim Williams, QMED Tuan Tran

For many of us that chose to become Merchant Mariners, the opportunity to take delivery of a brand new vessel and make the maiden voyage is rare and only a few are fortunate enough to experience the process during their careers. Withstanding many challenges and obstacles, the ESU members assigned to this once in a lifetime opportunity have been performing very professionally in their new work environment with an ever present eye on doing all aspects of the job in a safe manner. The Liberty Bay departed Philadelphia, PA on June 26, and since leaving the ship has loaded multiple cargos in the Gulf of Mexico for delivery at Gulf terminals or refineries. The vessel will start the long voyage around South America soon and should arrive in Valdez during the latter part of September for ANS service.

The ESU pays tribute to the above ESU members during the Maiden Voyage on the Liberty Bay and say thank you for representing the ESU ranks.

Update on processing times for Merchant Mariner Credentials

The National Maritime Center (NMC) recently posted an information bulletin with the intent to provide the merchant mariner community with an update on the current status on the processing status.

The recent implementation of the new STCW Final Rule and medical certificates, a shortage of several NMC employees, and persistent IT issues have all contributed to the continuation of elevated processing times and credential application inventories. These issues, coupled with an unusually high ‘Spring Surge’ of credential applications, have created an environment which is challenging to the previously established turnaround times. Since January of this year, the NMC has worked aggressively to address these performance degrading issues while issuing nearly 40,000 credentials and 90,000 medical certificates.

What can you do to help? As always, the industry at large and individual mariners can do a few things to help the improvement of processing times:

- It’s asked that marine employers be conscious of what the mariners are experiencing and allow the NMC to get their

credentials to them as soon as possible.

- Renewals: Submit applications for renewals at least 90 days before your expiration. Visit the National Maritime Center’s website for information on the new process for Post Dating straight renewal applications (credential creep and delayed issuance are no more).

- Originals: Submit your applications for original credentials approximately 90 days in advance of when you will need it.

- Medical Certificates: If you are unaware of the new medical certificate requirements, visit the website for additional information. Ensure you bring a copy of Navigation and Inspection Circular (NVIC) 04-08 with you when you get your physical and ask your practitioner to provide as much information as possible for any listed medical condition. Most of the information needed to complete your medical evaluation, including additional tests, can be found in NVIC 04-08.

Contact the Customer Service Center at IASKNMC@USCG.mil or 1-888-IASK-NMC (427-5662), and visit our website at http://www.uscg.mil/nmc/ for any additional questions or information.

EXXON SEAMEN’S UNION

Founded March 28, 1941

Affiliated with the Sailors’ Union of the Pacific

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Vice President/Treasurer Leo DeCastro
Board Member at Large Joe Bernavich
Board Member at Large John McCarthy

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

Court rules onboard stress not covered by Jones Act

An appeals court has ruled that crew members cannot use the Jones Act to sue their employers for the impacts of stress in their shipboard work.

The decision by the 11th Circuit Court of Appeals in Atlanta overturns a judgment against a crew member for Masersk Line Limited (MLL), the U.S.-flag containership division of Danish AP Moller-Maersk.

Former Chief Mate William Skye won a \$2.36 million jury verdict against MLL, which a district court judge then reduced to \$590,000, over the impacts of his work on the *Sealand Pride*, which has since been scrapped.

The three-judge appellate panel ruled that the Jones Act –a U.S. cabotage law whose provisions include legal remedies for crew injury– only covers “physical perils”.

“An arduous work schedule and an irregular sleep schedule are not physical perils,” said Circuit Judge William Pryor, writing for the majority.

“That Skye developed a ‘physical injury’ is no matter; the cause of his injury was work-related stress.”

Skye suffered from a variety of conditions: headaches, a sore back, a burning sensation in his back, a thickening of his heart’s walls in the left ventricle and arrhythmia –a condition in which the heart

beats with an abnormal rhythm.

His cardiologist tied all this to intermittent high blood pressure caused by the stresses of his job, where Skye complained of working 90 to 105 hours per week for 70 to 84 days at a time.

A jury in the Miami Federal Court agreed in its 2012 verdict and decided that the seafarer’s afflictions were physical rather than “emotional”. However, Pryor wrote in the appellate ruling that District Judge Cecilia Altonago, who presided over the Miami trial, should have awarded MLL the victory as a matter of law because of a 1994 Supreme Court decision known as Consolidated Rail Corp versus Gottshall, which also involved work-related stress.

Rulings from the 11th Circuit are only binding in the states of Alabama, Georgia and Florida.

Circuit Judge Adalberto Jordan was the only judge to vote in Skye’s favor. Skye, he wrote, persuaded a jury that his injuries were physical, not emotional as in the Gottshall case.

“I would not read the Jones Act to preclude liability for an employer who makes a seaman work so hard and so continuously that he suffers physical injury in the form of heart disease, heart attack, organ failure, seizure, or stroke,” the judge wrote.

China wins bid to build new Israeli port

China Harbor Engineering Company Ltd. has won the rights to build a new port in Israel, according to a report by Israeli business daily *Globes*. China reportedly offered to build the port, initially estimated at being worth about \$1 billion, for substantially less than the four competing companies to cement its strategic foothold in Israel.

This past March, China won a tender to build a \$2 billion, 187-mile freight rail link, connecting Eilat on the Red Sea with the Port of Ashdod. The project, nicknamed the Red-Med, was approved by the Israeli cabinet, and construction, which is expected to take five years, is scheduled to begin some time within the calender year.

China reportedly also has its eyes on the 25-year contract to operate the new Israeli port. In that tender, which is still in the pre-qualification stage, China made a last-minute bid in April, competing against Germany’s Eurogate, Dutch based Terminal Investment and International Container Terminal Services.

“China is already exporting its goods to the whole world, via a constantly expanding fleet of ships –the largest of which can carry over 18,000 containers,” said Zvi Schreiber, CEO of Israeli start-up Frieghtos. “Israel currently has no role as a cargo hub, but if the Red-Med train link was efficient enough it could perhaps compete with the Suez Canal,” Schreiber said. “Also in the advent of more open borders, Israel could provide transit for goods from the Mediterranean to Jordan and Iraq.”

In Jerusalem, Israeli Prime Minister Benjamin Netanyahu told visiting Chinese Vice Premier Liu Yandong in May: “China is Israel’s largest trading partner in Asia, and looking ahead, it seems it will soon become Israel’s largest trade partner in general.”

The initial specifications for the new Israeli port reportedly called for a capacity of one million TEUs. The new port would take eight years to build at a cost of \$1.17 billion. However, the Israeli Ministry of Finance recommended the scope of the port be scaled back, with the project finally reduced by 15% with shorter wharves to cut the overall cost. The Ministry of Finance also recommended building two new ports instead of one, in Ashdod and one in Haifa.

China won first choice of the two ports, and the second-place winner, which was not named in the report, will have the option to build the second. The other bids to build the ports were reportedly from Israeli firms Shapir Civil and Marine Engineering Ltd., Ashtrom Properties Ltd., Shikun & Binui Holdings Ltd, and Ludreco, a unit of Belgium’s Jan De Nul Group.

Welfare Notes

July 2014

Announcement of Investment Changes

To Plan Participants and Beneficiaries of

SUP Money Purchase Pension Plan and SUP 401(k) Plan

Investment Change Announcement Explanation

The Plans’ investment committee recently met to review the performance of Plans investment choices. If an investment choice does not meet the established minimum standards, the committee reviews other alternatives with similar investment objectives to discuss possible replacement options. This important notice is to inform you that the SUP Money Purchase Pension Plan and SUP 401(k) Plan will be making a change to the Plans’ investment options as outlined below. This change is scheduled to go into effect the week of 08/18/2014.

Morningstar Category	Prior Fund	Ticker	New Fund	Ticker
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Large Growth	American Century Growth Inv	TWCGX	MFS Growth R3	MFEHX
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The fund below will be added to your Plans and accessible to Plans participants the week of 08/18/2014:

Ticker	Fund Name
--------	-----------

MFEHX	MFS Growth R3
-------	---------------

How will this affect me?

During the week of 08/18/2014 assets invested in the prior fund will automatically be transferred to the corresponding replacement fund shown above. In addition, all of your directives for investing future contributions in the prior fund will automatically be changed to the corresponding replacement fund.

Do I need to take action?

No. However, if you want to make changes to your account you can:

- Change your investment directives to ensure that future contributions are invested in the investment option of your choice.
- Transfer any balance in this fund to the investment option of your choice.

These changes can be made using either:

1. Personal Savings Center at www.standard.com/retirement
2. Calling a customer service representative at 800.858.5420

If you have questions, please contact a Standard customer service representative at 800.858.5420.

Michelle Chang, Administrator mcsupsiupd@sbcglobal.net
Patty Martin MPP & 401(k) Plans, Death Benefits martinpatty59@sbcglobal.net
Virginia Briggs Claims vbriggs80@sbcglobal.net
Michael Jacyna Eligibility mjacyna67@sbcglobal.net
Training Representative Berit Eriksson 206-551-1870 berittrainrep@sbcglobal.net
Phone Numbers: 415-778-5490 or 1-800-796-8003 Fax: 415-778-5495
SIU-PD Pension 415-764-4987 & SIU-PD Supplemental Benefits 415-764-4991
Seafarers Medical Center 415-392-3611

Port of Long Beach announces delay in new bridge opening

Officials with the Port of Long Beach have announced that the \$1.26 billion project to replace the Gerald Desmond Bridge will be delayed by at least one year. The new bridge, which was expected to be opened by the end of 2016, is now expected to be completed some time in either late 2017 or early 2018. Port officials attributed the delay to design issues, including delays in obtaining approvals for the designs on the new bridge from Caltrans officials, who have the final say over plans for the new bridge.

Many of the ships that currently enter the Port of Long Beach have difficulty traveling under its low-hanging span, and traffic on the roadway is often congested.

The replacement bridge is being constructed under a design-build model, which means that while construction on the foundation began a couple months ago, only about 70% of it has been designed. The operation for a new bridge has already been plagued with complications and cost overruns from a maze of poorly mapped underground utility lines and oil wells on Terminal Island. A landscape of highly variable soils, and the risk they could liquefy in an earthquake, means designs for various sections of the bridge’s foundation need to be tailored so they can withstand a major seismic event, said port spokesman John Pope.

It is not clear yet how much the delay could cost the Port of Long Beach, which is managed by the city of Long Beach and is responsible for shouldering all cost overruns. The project, which is more than a decade in the making, is already more than \$300 million over budget from its original estimated cost of \$950 million, mostly due to the oil well work done to clear a path for the new bridge. Meanwhile, crews are continuing to build the bridge, working from both ends to pour the first dozen of what will be more than 300 concrete piles supporting the span.

Membership and Ratings Committee

Met on July 10, 2014, and found the following members eligible for advancement in seniority and rating stamps in the various departments:

Name and Membership Number		Seatime	Rating	Seniority
Jonathon Anderson-Kaisa	B-19360	1 Year	A.B.	B
Expeditus T. Abaya	B-19361	1 Year	O.S.	B
Charles Wood	C-2441	30 Days	A.B.	C
Dana Anderson, II	C-2442	30 Days	A.B.	C
Augustino Zeason	C-2443	30 Days	O.S.	C

Rating Stamps - None

Membership and Ratings Committee’s Report - M/S to concur in the Committee’s report. Carried unanimously. Membership and Ratings Committee: David Larsen #19078, Dave Frizzi #2255 and Hillard L’ai #18944.

CCSF Labor & Community Studies

Fall 2013 Semester

FULLY ACCREDITED

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Southeast Asia tops maritime crime incidents

Southeast Asia topped the list for maritime crime incidents in 2014 as compared to other traditional piracy hotspots, according to the data from Dryad Maritime.

The maritime operations company stated that the region recorded 87 incidents since the start of the year to June 30, 2014. The figures comprise of 12 reported cases of vessels being boarded underway and 19 reports of robberies, attempted robberies or suspicious approaches in the anchorages to the east of the Singapore Strait.

"Our team of analysts have assessed that at least one gang is operating to the east of Singapore, hijacking small product tankers and stealing fuel cargoes. These criminals have knowledge in the ship-to-ship cargo transfers. Without more proactive efforts by local maritime forces to counter this crime, we predict further incidents of this type in the region," said Ian Millen, COO of Dryad Maritime. Millen was also concerned that the political instability in the region may lead to a greater threat from terrorism. "Abu Sayyaf, a Filipino Islamic terrorist group, continues to operate with impunity. Although the majority of their activity centers on coastal terrorist attacks, the kidnap of a German couple from *MV Catherine* serves as a reminder of the need for caution. While there is no evidence that Abu Sayyaf will start to target larger, commercial vessels in the region, as a politically motivated group, the possibility to develop such a capability remains."

Meanwhile, the Nautilus Institute for Security and Sustainability attributed the increase in piracy to over-fishing, poor maritime regulation, organized crime syndicates, widespread poverty and politically motivated groups.

The public policy think-tank also added that the rise in trade in Southeast Asian waters bring further incentive for pirates.

South Pacific Island of "Mutiny on the Bounty" fame running out of people

Residents of Pitcairn Island, a rocky outcrop in the South Pacific, battled for generations to establish and sustain their tight-knit community, which traces its roots to the 18th-century mutiny, immortalized by Hollywood, on the *HMS Bounty*.

But with only 49 inhabitants left, many past retirement age, the British Overseas Territory is facing extinction. Yet one obvious solution—immigration—is proving a hard sell both at home and abroad. Island leaders have acknowledged the need for fresh blood to maintain a sustainable population level. But they have scaled back their ambitions even though no one moved there at all last year, raising questions about how serious the island is about attracting new faces. "People here are very xenophobic, and have been for two centuries," said Kari Young, editor of Pitcairn's community newsletter *Dem Tull* and a supporter of the immigration plan.

Pitcairn's remoteness, 3,300 miles east of New Zealand, has shielded it from much outside interference, but is increasingly proving a handicap as the aging population requires more access to health care.

According to the Pitcairn Island Council, the population peaked at more than 200 in the 1930s, then gradually declined

to around 50 in the 1980s, where it had more or less stabilized. But today, children are scarce and there is only one woman of childbearing age still living there, according to Rob Solomon, a consultant based in Wellington, New Zealand. Even keeping the lights on may become tougher as the one qualified electrician is soon to retire. About 10 men are still fit enough to help winch and operate the long boats that ferry in supplies, but the ramshackle harbor needs to be upgraded to encourage more tourists, especially from passing cruise ships.

The island relies on aid from the U.K. —5.5 million New Zealand dollars (\$4.7 million) in 2013— for 95% of its revenue. But the U.K. government now fears life there won't be sustainable in 15 to 25 years unless Pitcairn opens itself up to immigration.

In a society that has lived in relative isolation since it was founded in 1790 by British mutineers, led by Fletcher Christian, along with kidnapped Tahitian women, some residents are finding that hard to swallow. "Pitcairn Islanders are very hospitable people," said Meralda Warren, an artist who lives in Adamstown, the island's one settlement. But, she added, they "don't need to become

open to migrants."

Efforts to attract Pitcairn's diaspora home have largely come to nothing, partly due to the lack of jobs. The allure also was dulled by a sex-abuse scandal in 2004. Several Pitcairn men were convicted of charges relating to the sexual assault of young women and jailed.

A U.K.-funded survey of Pitcairn diaspora found that of the 33 respondents, only three signaled an interest in returning. Many said they were ashamed of their heritage because of the scandal, and that they no longer publicly identified themselves as "Pitkerners," according to Mr. Solomon, whose consultancy, Solomon Leonard Ltd., compiled the survey.

Pitcairn Island is governed from New Zealand, but the island council is responsible for day-to-day affairs. It passed an action plan in 2012 targeting a 60% increase in the population by 2016, to around 80 people. A revision last year called only for maintaining the status quo of 49. So far, they are off target. Despite more than 550 inquiries on the island government's website, no formal applications from potential immigrants have come in, according to the Solomon Leonard report.

Pitcairn's story has long captured the imagination of novelists, filmmakers and

poets the world over. Errol Flynn, Clark Gable, Marlon Brando and Mel Gibson all played the vagabond Mr. Christian in films celebrating his successful mutiny.

The island use to get by on stamp sales but those collapsed in the 1990s and demand for commemorative coins dipped. A proposal from the U.S.-based Pew Charitable Trusts to turn a stretch of ocean near Pitcairn into one of the world's biggest marine parks could boost tourist numbers. But the project needs U.K. funding, which so far hasn't been forthcoming. Other plans rest on the possibility of an airstrip and even a dedicated airline, although Mr. Solomon notes "everybody on the island would have to get on the plane for every flight" to make the idea economical.

Another solution, creating a port to service Pacific fishing vessels, makes little sense as the island is at least a two-to-three-day sail away from rich tuna grounds.

The island boasts an alluring mix of rare giant ferns, unique bird life, snorkeling pools and ancient petroglyphs. But even relatives and friends find it hard to justify visiting, Ms. Warren said. It can cost more than 5,000 New Zealand dollars to get there from New Zealand, requiring travel by air and boat.



SUP President's Report

July 14, 2014

PENSION INCREASE

At the June 19 meeting of the Board of Trustees of the SIU-Pacific District Pension Plan, Plan Actuary Greg Pastino of the Savitz Organization submitted his valuation of Plan Assets as of August 1, 2013. The market value of Plan assets was approximately \$107 million with a funded vesting ratio of 128%. Which, in short, means that the Plan –unlike many others– is in good shape.

Therefore, under Section 30(e) of the collective bargaining agreements with APL and Matson, the SUP, MFOW and SIU-Marine Cooks proposed a pension increase based on the net actuarial gains made by the Plan from 2012-2013. APL and Matson agreed to the Union proposal of a \$50 increase for those retiring on or after July 1, 2014 at age 60 with 25 years seatime with pro rata increases for those with less than 25 years.

The benefit breakdown is as follows:

	Monthly Benefit 7/1/2013	Monthly Benefit 7/1/2014
I Long Service Benefit (25YQT)		
(1)-Retiring at age 60 or older	\$1,950.00	\$2,000.00
(2)-Eligible for Social Security Disability, any age	\$1,950.00	\$2,000.00
(3)-Retiring between ages 55 and 60	\$1,628.82	\$1,670.58
(4)-Retiring under age 55	\$300.00	\$300.00
II Basic Service Benefit (20YQT)		
(1)-Retiring at age 60 or older	\$1,560.00	\$1,600.00
(2)-Eligible for Social Security Disability, any age	\$1,560.00	\$1,600.00
(3)-Retiring between ages 55 and 60	\$1,405.15	\$1,441.18
(4)-Retiring under age 55	\$250.00	\$250.00
III Reduced Service Benefit		
(1)-15YQT	\$877.50	\$900.00
(2)-16YQT	\$936.00	\$960.00
(3)-17YQT	\$994.50	\$1,020.00
(4)-18YQT	\$1,053.00	\$1,080.00
(5)-19YQT	\$1,111.50	\$1,140.00
IV Disability Retirement Benefit		
(1)- 25YQT, retiring at age 60 or older	\$1,950.00	\$2,000.00
(2)- 25YQT, retiring at ages 55-59	\$1,628.82	\$1,670.58
(3)- 25YQT, retiring under age 55	\$300.00	\$300.00
(4)- 20YQT-24YQT, retiring at age 60 or older	\$1,560.00	\$1,600.00
(5)- 20YQT-24YQT, retiring at ages 55-59	\$1,405.15	\$1,441.18
(6)- 20YQT-24YQT, retiring under age 55	\$250.00	\$250.00
(7)- 15YQT-19YQT	\$187.50	\$187.50
(8)- 15YQT-19YQT and eligible for Soc. Sec. Dis.	\$218.50	\$218.50
(9)- 10YQT-14YQT	\$125.00	\$125.00
V--Dependent Child Benefit(1)-Per child under age 18		
	\$25.00	\$25.00
VI--Deferred Vested Benefit per Year of Qualifying Time		
(1)-200 or more Qualifying Days	\$58.50	\$60.00
(2)-125 to 200 Qualifying Days	Pro Rata	Pro Rata
(3)-Less than 125 Qualifying Days	\$0.00	\$0.00

It must be noted that the benefit increase negotiated with APL and Matson is applicable to those employed by Chevron, Foss, Patriot and the San Francisco Bar Pilots.

On October 1, 2015, the agreement with APL expires and the Unions are planning to propose pension increases for future and current pensioners.

SUP WELFARE PLAN

The SUP Welfare Plan continues to be hammered by the rising cost of premiums for Plan participants with no relief in sight. The Plan provides medical benefits to eligible members employed by APL, Foss, Matson, Patriot Contract Services, and the San Francisco Bar Pilots.

At the June 18, Board of Trustees meeting, Plan Consultant Kirsten Shaffer of the firm Rael & Letson, delivered the grim news.

The five largest health care providers the Plan has contracts with, demanded, with the exception of one, significant increases in premium renewals. Including the increases for the current year, premium increases since 2000 have skyrocketed: Kaiser Northern California by 168.8%; Kaiser Hawai'i by 160%; Health Net by 178.9%; and Group Health Cooperative by 80%. Only Kaiser Southern California saw a drop in renewal premiums, by 5%. However, since 2000 those premiums have escalated by 92%.

The new rates for the various health plans offered by the SUP Welfare Plan are as follows:

KAISER NORTHERN CALIFORNIA: An increase of 10.3% effective July 1. The rate for a single participant increased to \$780.40 from \$707.22 per month. For a married participant without children, the rate increased to \$1,560.80 from \$1414.44. For married participants with children, the rate increased to \$2,208.53 from \$2,001.43. This amounts to an increase of \$165,600 annually.

KAISER SOUTHERN CALIFORNIA: A decrease of 5%, effective July 1. The rate for a single participant decreased to \$520.71 from \$548.11; \$1,041.42 from \$1,096.22 for married participants; and \$1,473.61 from \$1,551.15 for married participants with children. This amounts to a \$42,000 savings in annual premiums.

KAISER HAWAI'I: An increase of .03% effective August 1. The rate for a single participant increases to \$547.04 from \$546.90; \$1,094.07 from \$1,093.80 for married participants; and \$1,641.11 from \$1,640.69 for married participants with children.

The annual premium increases for the medical and dental plan totals less than \$500 based on current enrollment. Under the Medical Plan, Kaiser Hawai'i will change the hearing aid benefit from a \$500 copayment to a 60% member coinsurance. For example, the standard base model hearing aid costs \$1,000 and will be provided once every three years, per ear. The member will pay 60% of the \$1,000 cost and the \$600 paid in coinsurance will accumulate toward the medical plan's \$1,500 out-of-pocket maximum. If the member purchases a higher cost model at \$2,000, he/she pays 60% up to base model amount (\$600) plus the difference between the base and higher model or a total of \$1,600. Only \$600 of the \$1,600 will accumulate toward the maximum out-of-pocket. The change is being made under all Kaiser Hawai'i medical plans.

GROUP HEALTH COOPERATIVE: An increase of 12.5% effective August 1. The rate for a single participant increases to \$562.43 from \$500.36; for married participants to \$1,050.29 from \$934.38; and for married participants with children to \$1,758.65 from \$1,564.56. The renewal represents an increase in annual premiums by \$74,400.

HEALTH NET (HMO): An increase of \$12.9% effective August 1. The rate for a single participant increases to \$958.42 from \$848.91; for married participants to \$1,916.87 from \$1,697.85; and for married participants with children to \$2,779.54 from \$2,461.95. The renewal rates will increase annual premiums by \$124,800.

HEALTH NET PPO (CALIFORNIA): An increase of 19.9% effective August 1. The rate for a single participant increases to \$1,214.78 from \$1,013.16; for married participants to \$2,611.75 from \$2,178.27; and for married participants with children to \$3,583.57 from \$2,988.80.

HEALTH NET PPO (NON-CALIFORNIA): An increase of 19.9% effective August 1. The rate for a single participant increases to \$1,094.05 from \$912.47; for married participants to \$2,352.20 from \$1,961.80; and for married participants with children to \$3,227.46 from \$2,691.79. The increase for both the California and Non-California plans equals a \$78,800 increase in annual premiums.

Given the high cost of the Health Net PPO Plans the Trustees of the Welfare decided (see the October *West Coast Sailors*) that the 53 participants of those plans would be charged a 25% self-payment on their total premium cost effective February 1, of this year. Since that time 16 elected to remain in the PPOs, 21 switched to HMO plans, two dropped coverage and enrolled in their wives' plan, five did not make self-payments and were terminated from the PPOs, and nine lost Plan eligibility. The result is that the SUP Welfare Plan is currently saving \$35,314 per month. While the savings is significant, the Plan, through April of this year, was running a \$325,285 deficit. So with costs continuing to increase every year, the Trustees of the Welfare Plan will closely monitor Plan finances and make coverage changes as is absolutely necessary.

In addition to escalating premiums, the impact of the Affordable Care Act (Obamacare) is financially significant. Taxes and fees under the Act include a \$63 per year Reinsurance Fee on every participant and dependent of the Plan and a \$1.00 per year Excise Tax on every participant and dependent of the Plan since January 1, of 2013, to help fund the Patient-Centered Outcomes Research Institute (PCORI). This tax will rise to \$2.00 per participant and dependent in 2015 and will increase by an amount, not presently known, through 2019. In addition, the health care providers, the SUP Welfare Plan has contracts with, can legally tack on a 2% tax on their rates to help fund the Act and have done so. Also under the Act, dependent "children" between the ages of 19 and 26 are required to be covered which has added significantly to SUP Welfare Plan expenses over the past three-and-a-half years.

Also looming on the horizon is the so-called "Cadillac Tax" provision of the Affordable Care Act. Starting in 2018, premiums exceeding \$10,200 for individuals or \$27,500 for a family will be taxed 40% annually. This excise tax will be paid by the health care provider who will then pass on the cost to the SUP Welfare Plan in the form of even higher premiums.

CHEVRON SHIPPING COMPANY

One-Man Watch Beef

Over the past several months, the SUP and Chevron have been at loggerheads over the company's unilateral imposition of the one-man watch system in some vessels whenever it thinks it serves its interests.

The beef originated when the *Florida Voyager* departed a Singapore shipyard for Hawai'i. The company requested and the Union agreed –on a non-precedent basis– that a one-man watch could be used on that long, uninterrupted sea passage. Before arrival in Hawai'i, the Union asked for a permanent resumption of the two-man watch which was reinstated for cargo operations. Departing Hawai'i for the West Coast, the company, despite the Union's protest, again imposed the one-man watch.

Chevron again pulled this unilateral stunt in the *California Voyager* transiting the

continued on next page

SUP President’s Report continued

Panama Canal with cargo, which the SUP again protested. It is the Union’s position that the Agreement and past practice calls for a two-man watch. The company disputes that and states that it has the right, under the master’s discretion, to set watches as it sees fit! There is no question that Chevron desires to upset shipboard routine and turn back the clock to the days prior to 1945 when the SUP organized the company’s U.S.-flag fleet.

In order to resolve this dispute, Vice President Dave Connolly and your secretary met with Chevron at company headquarters in San Ramon, California, on June 16. In attendance for the company was Chris Hendry, Manager Human Resources; Captain Oscar Prada, Marine Superintendent; Paul Gugg, Assistant Fleet Manager; and John Brandt of Human Resources.

While the issue was discussed, the company was non-committal. In a letter dated June 26, Chevron rejected the Union’s grievance by again asserting management rights.

On July 11, the SUP filed unfair labor practice charges with the against Chevron National Labor Relations Board in Oakland.

Catering Superintendents

On June 24, the SUP signed the following Memorandum of Agreement with Chevron regarding the new job of Catering Superintendent:

“In an effort to implement best practices in the Steward’s Department and establish MLC-2006 standards across the U.S. fleet, the Company intends to dispatch a temporary position of Catering Superintendent. The role will be to serve as mentors and trainers, and to establish consistencies amongst the vessels regarding all aspects of the Steward Dept., including victual ordering process, store room/cold storage organization, menu planning, and sanitary/hygiene standards. The Catering Superintendent will be a day working position. The Catering Superintendents will normally be chosen from the company’s roster of Stewards and be compensated at a rate as shown below.

The Company, in its sole discretion, will decide when, on which ships, and for how long the position will be used. The Catering Superintendent will perform under the direct supervision of the Master.

The “Catering Superintendent” will be compensated at a rate of:
\$4,930.10 per month, \$24.26/hour overtime, from the date above and for 2014,
\$5,053.36 per month, \$24.87/hour overtime, effective February 1, 2015,
\$5,154.42 per month, \$25.37/hour overtime, effective February 1, 2016.

The overtime rate will be applied when working in excess of 8 hours, Mondays to Fridays, inclusive, and on Saturdays, Sundays, or recognized holidays, at sea or in port.

Individuals who sail as Stewards before, after, or in between assignments as Catering Superintendent will be paid at the Steward’s rate for the time sailed as Stewards.

Vacation will be earned as per the Agreement.
The Company reserves the right to terminate or extend this program as necessary.”

GUNNAR LUNDEBERG	PAUL GUGG
President/Secretary-Treasurer	Assistant Fleet Manager
Sailor’s Union of the Pacific	Chevron U.S.A. INC.
(AFL-CIO)	By: Chevron Shipping Company
Recommend membership ratification of the Memorandum.	

450 HARRISON

On July 11, the main sewer line or house trap that connects into San Francisco’s sewer line burst at the Headquarters building. The work performed by In & Out Plumbing & Construction was extensive and cost \$20,000. The burst pipe unleashed untreated sewage into the basement and garage sections of the building. The clean-up/HAZMAT work was done by Service Master Restoration by Ryan & Ryan. The cost for this operation was \$16,989.00 of which \$11,000 was covered by the Union’s insurance carrier.

Another item that needed attention at Headquarters was water damage caused by leaks in the First Street balcony roof and the “blockhouse” roof on Harrison Street, that was noticed last winter. The work is in the process of being completed by Anderson Roofing & Sheet Metal for \$43,737.

QUARTERLY FINANCE COMMITTEE

In accordance with Article XVII, Section 2, of the SUP Constitution, a Quarterly Finance Committee shall be elected at today’s Headquarters’ meeting to review the finances of the Union for the second quarter of 2014, and report back to the membership at the August coastwise meetings.

In the event the Committee cannot be filled today, recommend that when the quarterly audit is completed, which will be in about three weeks, necessary Committee members be shipped off the hiring hall deck as per past practice. The Quarterly Finance Committee will turn-to on Monday, August 11, at 8:00 A.M.

LONGSHORE HOLIDAY

SUP hiring halls on the West Coast will be closed on Monday, July 28, in observance of Harry Bridges’ birthday, an ILWU holiday.

In accordance with the collective bargaining agreements with APL and Matson, it is a holiday for all company vessels in West Coast ports and for sailors employed under the APL and Matson Maintenance Agreements on the West Coast. It is also a holiday for run boat operators employed by the San Francisco Bar Pilots. It is not a holiday at sea or in Hawai’i.

Gunnar Lundeborg

Vice President’s Report

July 2014

USNS Charlton: Cosme Bigno, delegate. Deployed to Guam then got underway for tropical storm. Delegate indicates things under control. Some clarification on watchstanding. Working with management to standardize overtime scheduling across Watson-class fleet.

USNS Dahl: Joe Carson, delegate. Collected training day pay. Clarification on Supplemental Benefit daily rate: base wage is not part of the calculation. Supplemental Benefits has its own monthly base rate which is divided in half since its 15 for 30 and then divided by 30 to get the daily rate.

USNS Sisler: Hussein Ali, delegate. Ship got underway to exercise engines. Crew assisting Ordinary Seamen in satisfying assessments for Rating Forming Part of a Navigational Watch. Payroll problems brought to the attention of the Company.

USNS Watson: Cody Clark, delegate. Lodged claim for base wage for days in Diego Garcia but not yet aboard.

APL Thailand: Dmitri Seleznev, delegate. Company refused to pay standbys dispatched but not cancelled when ship sailed early. Claim still pending. Safe crane operations require an operator, a spotter and a hook-up man.

APL Coral: Aaron Weibe, delegate. Clarification on rights to medical care, short-handed rates.

APL Belgium: Chris Halberg, delegate. Clarifications on stores, mess rooms, necessary work and baggage. Necessary work is anything except sanitary and cosmetic maintenance. APL does not reimburse for overweight or oversize bags and there is no mechanism in the agreement to recover that cost. Sailors are advised spread the contents of a seabag across two regular sized checked bags and a carry on.

APL Agate: Mike Henderson, delegate. Clarification on timing of the breaking of foreign articles and how that relates to both payoff and departure. See Section 8(d).

APL China: Larry Gately, delegate. In at Oakland. Company prohibition of common scoop for ice cream should not eliminate scoop ice cream from provisions. Appendix C is unchanged and accordingly requires compliance just as much as international regulation. Under investigation. The order to standby means you are still on the clock and paid overtime on overtime hours.

APL Singapore: Harry Freeman, delegate. Clarifications on bunker barge callout: if callout is made during or contiguous to the tie-up two hour minimum then a separate 1-hour minimum is paid. If gang is knocked off and then called out again a new 2-hour minimum is triggered.

Oregon Voyager: Ganny Cruz, delegate. In at RLW after a change of schedule. Watches broken then re-set confusing the crew. Coastwise tankship operations is the most demanding work in the U.S. merchant marine in part because the schedule is always changing. Chevron captains and management are gambling with the health and safety of the crew by breaking watches at anchor (and setting the one-man watch at sea violating the Agreement and decades of past practice) to try to gain a little more maintenance production. Step 3 grievance response from management was unsatisfactory. Unfair labor practice charge filed with NLRB.

SNLC PAX: Rebecca Fisk relieved by Gabe Moreno as delegate. Crew reliefs underway. Problems with A/C, shore leave, crew accommodations, mattresses, among other things brought to the attention of management. First crew did a great job squaring away this ship and bringing things in the direction of SUP standards.

Dave Connolly

Maritime groups call for national ship discharge legislation

A coalition of 58 national and regional organizations, including a number of maritime and labor organizations, have signed on to a letter sent to U.S. Senate Commerce, Science and Transportation Committee Chairman John Rockefeller (D-West Virginia) and Ranking Member John Thune (R-South Dakota), urging them to schedule a bill that would establish national guidelines regarding the regulations of ballast water and other vessel discharges.

The bill, S. 2094, was introduced this past March by Senators Mark Begich (D-Alaska) and Marco Rubio (R-Florida) and had 29 additional co-sponsors. If made into law, the bill would eliminate the wide range of state and federal laws governing vessel discharges and create national standards.

“The strong support from such a diverse coalition of stakeholders who rely on the waterways for the safe and efficient movement of the nation’s commerce in an environmentally responsible way and the clear consensus reached by nearly one-third of the Senate indicate that this bill is sound public policy and an achievable solution to remedy a serious problem,” said Tom Allegretti, American Waterways Operators (AWO) President & CEO.

“S. 2094 is urgently needed,” the letter stated. “Today, two federal agencies, the U.S. Coast Guard and the Environmental Protection Agency, regulate ballast

water and other vessel discharges under two differing statutory authorities. And, because neither federal statute preempts state action, more than two dozen states have established their own requirements for many of those same discharges –over 150 in all. This overlapping patchwork of federal and state regulations makes compliance complicated, confusing and costly for vessel owners and mariners.”

“It is counterproductive to the goal of enhanced environmental protection,” the letter continued, “... and it has forced resource-constrained federal and state agencies to duplicate efforts and expend significant time and taxpayer money in a well-intentioned but unsuccessful attempt to harmonize their requirements. S. 2094 would rectify this untenable situation by establishing a uniform, science-based federal framework for the regulation of ballast waters and other vessel discharges that is good for the maritime transportation industry and the industries that rely upon it, good for the marine environment, and good for the American taxpayer.”

In addition to the American Waterways Operators, signatories to the letter include the American Association of Port Authorities, Chamber of Shipping of America, International Longshoremen’s Association, International Organization of Masters, Mates & Pilots, International Propeller Club of the U.S. and the World Shipping Council.

SUP Branch Reports

Seattle

June 16, 2014

Shipped the following: 1 Boatswain relief shipped to an A-card; 7 Able Seaman jobs filled with 3 A-cards and 4 B's; 1 steady, 4 reliefs and 2 Navy bottoms; and 12 standbys to 7 A-cards, 4 B cards and 1 D-registrant

Registration for the period: 11 A cards for a total of 17; 10 B cards for a total of 22; and 2 C cards for a total of 7.

Ships Checked

Matson vessels *MV Manoa* and *SS Maui* called twice in Seattle. There continues to be a stores shortage in the *Maui*. Greg Schauf has taken the sheets from Nick Hoogendam and is now the SUP Delegate.

I represented the SUP at the following meetings: King County Labor Council meeting; Puget Sound Ports Council, Maritime Trades Department AFL-CIO labor/management luncheon; and the monthly meetings of the Seattle Marine Business Coalition and the Seattle Manufacturing and Industrial Council.

Vince O'Halloran, Branch Agent

Wilmington

June 16, 2014

Shipped the following: Bosun: 4 , AB: 7, AB Maint: 7, STOS: 1 and Standby: 35. Total jobs shipped: 54.

Registrations: A: 30, B: 24, C: 5, D: 20.

Ships Checked

APL Singapore, Mokihana, Manukai, Mahimahi, Manulani, APL Korea, Mokihana, Maunawili (happy ship), *Matsonia* (ran out of bread, eggs, milk, cereal, juices, peanut butter, and more!), *APL Thailand* (all well with Frank Portanier as Bosun), *Maunalei*.

On May 19, Delegate Eli Wegger, Delegate Bob Bugarin and I attended the May AFL-CIO Federation of Labor delegates meeting. We elected an unopposed slate for the next four-year term.

Had a good turnout for Maritime Day. John Pitts did his usual bang up job as emcee. We heard a speech from Ivan Sclick, representing Janice Hahn. Dave Arian gave a fine speech with last minute notice. USCG Captain Jennifer Williams read a letter from a WWII gun crew to the crew

of the merchant ship they were on together thanking them for all they learned, for the morale they inspired, and for being great shipmates. Shout out to Captain Paul Nielsen and his wife Grace, for all they do every year to put this event on.

On Memorial Day, Captain Werdann and crew of the *APL Singapore* did an outstanding job with the burial at sea of SUP retiree Richard Filkins.

On May 29, attended the Harbor Coalition Labor Day Committee meeting.

Eli Wegger will be teaching Marlin Spike seamanship at the Hall throughout the summer.

Mark Hurley, Branch Agent

Honolulu

June 16, 2014

Shipped the following jobs in the month of May: 1 Bosun relief, 1 AB Day steady, 1 AB Day relief, 2 AB Watch steady, 1 AB Watch relief, and 3 AB Maint steady. The shipping jobs were filled by 3 A cards, 5 B cards, and 1 C-card.

Shipped 18 standby jobs. The standby jobs were filled by 1 A card, 9 B cards, 6 C cards, and 2 MFOW members.

Registered in May 5 A cards, 5 B cards, 2 C cards and 1 D card. To date totaled registered: 9 A cards, 12 B cards, 4 C cards and 2 D cards.

Ships checked

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

I represented the SUP at the AFL-CIO Strategic Plan meeting, and the Hawai'i Ports Maritime Council meeting.

I hope everyone had a good 4th of July and don't forget the 3rd annual Maritime Ohana Barbecue is on August 4, at the Disabled Veteran's Hall, starting at 5:00 P.M. Mahalo,

Mike Dirksen
Branch Agent

Dispatcher's Report

Headquarters—July 2014

Nicaragua canal route gets official approval

A Nicaraguan government committee this month approved the route of a proposed \$40 billion canal project that will bisect the country and rival the Panama Canal waterway linking the Pacific Ocean and the Caribbean. Environmental and social impact studies need to be completed, but both Nicaraguan government officials and the development group expect work to begin in December and for the canal to be completed within five years.

Hong Kong-based HK Nicaragua Canal Development Investment Co (HKND Group) is leading the project and unveiled the route in a Managua presentation attended by the senior government officials, businessmen, environmentalists, and academics. Representatives of HKND, owned by Chinese businessman Wang Jing, said the canal will be 173 miles long, 250-580 yards wide and 90 feet deep, capable of handling the largest container ships in service or on the drawing board.

Dong Yunsong, HKND chief of engineers, said six routes had been studied and the company had eventually settled on Route 4 that enters on the Pacific Ocean side of the country at the mouth of the Brito River, travels south of Rivas City and across Lake Nicaragua. Once

across the lake, the canal will head along the Tule and Punta Gordas rivers and exit into the Caribbean at Bluefields Bay. He said the mega project will require the hiring of more than 50,000 workers during construction and will indirectly create more than 200,000 jobs when in operation. It will consist of six sub-projects, including the channel, construction of two deep-water ports, a free-trade area, tourism projects in San Lorenzo and an airport in the city of Rias.

Wang's HKND Group obtained the right to dig and operate the canal for 50 years, with the possibility to renew the contract for another 50 years in the future. The Supreme Court in Managua approved the project, ruling that a Chinese-operated waterway did not infringe on the nation's constitution.

The Nicaraguan canal is an idea that dates back to the 16th century, and remains unbuilt largely because of significant construction challenges. The proposed channel will be more than three times longer than the 48-mile Panama Canal, and it took the U.S. 10 years to dig through the narrowest part of the isthmus. Challenges facing the project include exposing Lake Nicaragua, Central Amer-

ica's largest source of freshwater, to the risk of salinization once it is connected to the ocean, as well as disposing of the excavated dirt. Environmental impacts and potential seismic activity from nearby active volcanoes are also worries.

Dong addressed these concerns in his presentation, saying the operation will not cause significant water changes to Lake Nicaragua or affect water use by residents of the watershed. "The channel will use mainly the water in the basin of the river Punta Gorda, which is sufficient to operate the channel," he said. An artificial lake will also be formed after the construction of the canal with an area of 154 square miles, he said. But possibly the greatest challenge to the project is its price tag. Although the cost of construction is officially estimated at \$40 billion, Alberto Aleman Zubieta, the former Panama Canal administrator, has estimated the project will cost at least \$100 billion.

Deck	
Bosun.....	5
Carpenter.....	0
MM.....	3
AB.....	10
OS.....	3
Standby.....	30
Total Deck Jobs Shipped.....	51
Total Deck B, C, D Shipped.....	22
Engine/Steward	
QMED.....	0
Pumpman.....	0
Oiler.....	0
Wiper.....	0
Steward.....	0
Cook.....	0
Messman.....	0
Total E&S Jobs Shipped.....	0
Total E&S B, C, D Shipped.....	0
Total Jobs Shipped - All Depts.....	51
Total B, C, D Shipped-All Depts.	22
Total Registered "A".....	29
Total Registered "B".....	26
Total Registered "C".....	12
Total Registered "D".....	17

Sailors with cell phones take note when boarding aircraft

Passengers boarding U.S.-bound flights at "certain overseas airports" may be asked to turn on electronic devices including cell-phones, and won't be allowed to bring on the plane any devices that are not of battery power, the Transportation Security Administration (TSA) announced this month.

Homeland Security Secretary Jeh Johnson requested enhanced precautions, which could lengthen wait times for travelers, as part of a continuing process to assess "the global threat environment" and review security procedures.

The directive covers more than a dozen airports in Europe, Africa and the Middle East, said a person familiar with the directive.

The shift reflects new concerns about the ability of potential attackers to create nonmetallic bombs by using electronic devices as a shell that might not be detected during the usual airport screening process.

TSA officers can ask travelers to "power up some devices, including cell-phones," the agency said in a statement. "Powerless devices won't be permitted onboard the aircraft. The traveler may also undergo additional screening."

Although the U.S. doesn't directly regulate overseas airports, airlines and foreign airports must meet certain security requirements set by the TSA to retain the right to provide nonstop service to U.S. cities.



Engine Machinist Cesar Finones, Bosun Ron Gill and Dayman Danilo Perez in the crew lounge of the *Mississippi Voyager* at Richmond Long Wharf on July 9. Photo: Dave Connolly.