



# West Coast Sailors

Official Organ of the Sailors' Union of the Pacific

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SAN FRANCISCO, CALIFORNIA

Friday, November 25, 2016

## APL adds another U.S.-flag ship to its Guam-Saipan service

Beginning in late December, SUP-contracted American President Lines will double its U.S.-flag calls to Guam thanks to the introduction of a second U.S.-flagged ship to its Guam-Saipan Express service.

Once the 1,600-TEU *APL Saipan* joins the 1,100-TEU *APL Guam*, the company will be able to provide weekly service to Guam and Saipan, via Pusan, Korea and Yokohama, Japan. Currently, the company offers biweekly shipping service to both areas.

At a news conference on Guam, APL President and CEO Eric Mensing attributed the service growth to increasing demand in the tourism, commercial and military sectors on Guam.

Mensing predicts continued growth in traffic from Asia and North America, particularly as the military buildup commences. The company is the largest carrier of military cargo in the Pacific, and one of the largest in the world, according to Mensing. "Volumes have been growing, and this upward trajectory we think will justify the weekly service," Mensing said. "It's a combination. It's tourism, it's infrastructure, but clearly we are looking at the military buildup."

Currently, the company facilitates cargo shipments from the U.S. mainland through the liner vessels calling Pusan and Yokohama.

*continued on page 2*

## SUP President's Report

# The post election unknowns

Like it or not, Donald Trump will be inaugurated as the nation's 45th president on January 20. With the Republicans retaining control of the Senate and the House of Representatives and now gaining the White House, the road ahead for organized labor will be challenging.

Throughout the Republican Party platform adopted in Cleveland this summer, there are endless attacks on the rights of workers to freely join a Union and bargaining collectively for better wages, working conditions and retirement security. Whether an embrace of a national "right to work law" that would gut strong Unions, demonizing "agents" at the National Labor Relations Board for simply following long-standing labor law or calling for repeal of Davis-Bacon prevailing

wage standards in the construction industry, the Republican plan seeks to lower wages and bargaining power for workers across the entire economy.

For seagoing maritime labor, the Republican platform calls for the repeal of the Jones Act. Trump's position on this critical law is not presently known. However, he now is the de facto head of the Republican Party. During the campaign, he called for increasing the size and strength of the military. Does that include support for the Maritime Security Program (MSP) and U.S. cargo preference, including Food for Peace? All unknowns as of this month.

What is known is that the Department of Defense and key allies in Congress support the Jones Act, MSP and cargo preference. What will be the course

charted by Commander-In-Chief Trump?

The answers to the questions will become apparent as his appointments to key government jobs are known and when his policy positions are fully articulated.

But the membership should be under no illusions that the next four years of a Trump Administration, a Republican Congress and a conservative Supreme Court will be a walk in the park. The SUP, in conjunction with the labor movement and its supporters will work to ensure that the worse tendencies of a Republican government do not bear fruit, including the racism, misogyny and anti-immigrant appeals unleashed during the campaign.

*President's Report continues on page 10*

## Japan's "Big 3" ocean carriers to merge container businesses

The wave of consolidation sweeping through the shipping industry broke over Japanese ocean carriers last month as NYK Line, MOL, and "K" Line, announced they are merging their container shipping businesses.

In a joint statement, Kawasaki Kisen Kaisha ("K" Line), Mitsui O.S.K. Lines (MOL), and Nippon Yusen Kabushiki Kaisha (NYK)

said they had signed a contract agreeing on the establishment of a joint-venture company to integrate their container shipping business and the terminal operating segment, excluding Japan. The scale of the announced plan—to create a wholly new company out of three historically competitive organizations that are part of different conglomerates—is sobering in its ambition. MOL traces its roots to 1878, NYK to 1885, and "K" Line to 1919, and they have long competed intensely on their home turf.

To "establish a culture that will welcome and rise to any challenge, utilizing the best practice of the three companies," as they jointly announced, will be an extraordinary challenge that requires a highly disciplined integration and neutral leadership, since all three will be minority shareholders.

Each carrier operates business lines outside of the liner business that will be untouched by the merger.

The joint venture company will be established by July 1, 2017, with the planned start-up date for the new operation April 1, 2018.

The announcement was made after Japan's three biggest carriers recorded a collective half-year operating loss of \$484 million, led by "K" Line and highlighting the dire predicament faced by the container lines. Merging their container businesses would generate scale and operational efficiency benefits allowing the lines to save \$1 billion a year.

"By strengthening the global organization and enhancing the liner network, we will be able to provide higher quality services and unlock new value in order to exceed our clients' expectations," the statement said. "The three companies have been cooperating in products and services through vessel-sharing agreements and the alliance scheme. Further, they are similar in size, have common corporate cultures, and believe the JV (joint venture) can leverage the strength of each individual company to create stronger competitor overall."

Container shipping has struggled in recent years due to a decline in the container growth rate and the rapid influx of newly built vessels, with low oil-prices, sluggish cargo demand, and

oversupply of trade capacity, meaning almost all container shipping companies were making a loss, the carriers said.

"The three Japanese companies have made efforts to cut cost and restructure their business, but there are limits to what can be accomplished individually," the statement said. "Also, in order to keep a membership of a global alliance continuously, it would be necessary to have above a certain business scale level."

"Under such circumstances, we have decided to integrate our container shipping business so that we can continue to deliver stably high quality and customer-focused products to the marketplace. Furthermore, the decision to cooperate in the east-west trades made in May 2016 by the creation of THE Alliance was also a factor."

All three Japanese carriers are members of THE Alliance that begins operation on April 1, 2017. However, with the start of the new merged entity planned for April 1, 2018, it is not clear whether there will be any impact to alliance services. The other members of THE Alliance include Germany's Hapag-Lloyd

and Taiwan's Yang Ming Line.

The joint container fleet of 256 vessels will have a capacity of 1.4 million 20-foot-equivalent units, excluding the order book of 360,000 TEUs, making it the sixth-largest liner in the world with a 7% global market share. A total of \$2.9 billion will be invested in the new operation, which includes the fleet and terminals, and the shareholding structure will be NYK 38%, and MOL and "K" Line 31% each.

The merger comes as the container shipping industry undergoes a radical restructuring that this year has seen three huge merger and acquisitions deals—CMA CGM acquired NOL and its liner unit APL, Cosco merged with China Shipping and Hapag-Lloyd merged with UASC—and one liner bankruptcy with the collapse of Hanjin Shipping.

An ongoing period of weak demand and soaring capacity levels have seen freight rates hitting record lows this year, stripping profitability out of carriers. Even though rates have been trending upwards since mid-March, Drewry is predicting collective industry losses will top \$5 billion this year.

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# SUP Quarterly Finance Committee Report

## SUP QUARTERLY FINANCE COMMITTEE REPORT FOR THE QUARTER ENDED SEPTEMBER 30, 2016

The Quarterly Finance Committee, duly authorized to act by the regular meeting at Headquarters on October 11, 2016, hereby submits the following report:

### SUMMARY OF CASH AND INVESTMENTS

General Fund .....	\$2,092,487.99
Political Fund .....	\$3,059.93
Strike Fund .....	<u>\$1,293,730.99</u>
Total Cash and Investments 3rd Qtr. 2015 .....	<u>\$3,389,278.63</u>

### GENERAL FUND

Income:	
Dues, Initiation, Assessments .....	\$100,775.00
Interest .....	16,068.73
Donations - <i>West Coast Sailors</i> .....	2,710.00
Tanker & Joint Committee, Hiring Hall.....	175,545.09
Advertising & Promotion .....	510.00
Miscellaneous Income, Reimbursements, Fines .....	872.33
Reimbursed Administrative Expenses.....	20,343.78
Contributions - General Fund .....	<u>263,917.23</u>
Total Income:.....	<u>\$580,742.16</u>

Expense:	
Auto & Travel.....	\$690.00
Rent.....	15,498.90
Postage, Printing & Office.....	8,558.77
Telephone & Telegraph.....	4,849.20
<i>West Coast Sailors</i> Publishing Expense .....	10,854.66
Contributions .....	1,225.00
Per Capita .....	12,286.50
Salaries & Payroll Taxes.....	190,529.20
Office Workers Pension .....	8,832.40
Insurance .....	52,889.03
Field Expense .....	185.93
Meeting/Committee & Neg., Conference & Conv.....	1,271.53
Investment Expense .....	1,878.82
Officials Pension .....	4,497.59
Subscriptions .....	84.23
Legal - Rep.....	(14,421.34)

Filing Fee.....	66.45
Advertising & Promotion .....	360.00
Miscellaneous .....	253,387.23
Flowers.....	<u>212.65</u>
Total Expense: .....	<u>\$553,736.75</u>

### BUILDING CORPORATION

Income:	
Rents .....	<u>\$136,017.89</u>
Total Income: .....	<u>\$136,017.89</u>
Expense:	
Building Services & Utilities.....	\$28,277.91
Repairs & Maintenance .....	396.72
Insurance .....	27,804.64
General Taxes.....	133.11
Salaries & Payroll Taxes.....	19,842.67
Pension .....	1,362.00
Auto .....	126.70
Filing Fee.....	56.40
Office .....	<u>2,198.66</u>
Total Expense: .....	<u>\$80,198.81</u>

### POLITICAL FUND

Income:	
Contributions.....	<u>\$3,275.00</u>
Total Income .....	<u>\$3,275.00</u>
Expense:	
Contributions.....	<u>\$4,000.00</u>
Total Expense: .....	<u>\$4,000.00</u>
Net Income 3rd Qtr.....	<u>\$82,099.49</u>
Net Income YTD: .....	<u>\$302,145.00</u>

/s/ Paul Fuentes

/s/ David Larsen

/s/ Arthur Thanash

/s/ Kaj E. Kristensen

/s/ Frank Portanier

ACTION BY THE MEMBERSHIP November 14, 2016. M/S/C—That we concur in the report of the SUP Quarterly Finance Committee and, as per past practice, publish in the **West Coast Sailors**. Carried unanimously.

## Terminal operators lodge \$189 million in claims against Hanjin

Terminal operators and stevedores make up the second-largest group of organizations making financial claims against Hanjin Shipping. A list released by the company’s receivers in South Korea shows terminal operators and stevedores account for \$189 million or 23% of claims against the group, although the eventual number of claimants could rise.

“This group of debtors is spread across the globe and almost all terminals that used to be called at by Hanjin Shipping have been affected by the carrier’s filing for receivership,” said industry analyst Alphaliner.

Terminal operators in North America account for 42% of total claims in the category. At around \$32 million, Total Terminals International in Long Beach tops the list of claimants, which also includes Total Terminals International and Pacific Maritime Services in Seattle; Yusen Terminals in Long Beach; and Maher Terminals in New Jersey.

Hutchison-owned Yantian International Container Terminals in Shenzhen is the largest Asia-based claimant in the category and says the South Korean carrier owes it more than \$13 million. PSA in Singapore and Shekou Container Terminals, also in Shenzhen, are included among the top 10 terminal operator creditors with claims of approximately \$7 million and \$5 million, respectively.

Operators in Europe make up 19% of total claims in the category, led by Eu-rogate in Hamburg (around \$9 million) and Euromax in Rotterdam (around \$7 million).

“The risk of Hanjin Shipping’s vessels being arrested by creditors seeking to secure their claims remains high, even though the number of container ships that are still under Hanjin’s control has dwindled from 97 in late August to only 25 as at October 23,” Alphaliner said.

Nearly 3,000 creditors are making claims totaling over \$800 million against the company with charter owners topping the list. Non-operating container ship-owner Seaspan has submitted a claim for nearly \$47 million.

Hanjin is in talks with MSC to purchase the 54% stake it owns in the Long Beach Total Terminal, which mainly handled Hanjin vessels before the carrier went into receivership. The terminal was to be sold as part of a self-rescue plan proposed by the carrier in June.

The South Korean government is taking measures to limit the effect of Hanjin’s collapse on the country’s export industry, but has said no government or central bank money will be directly provided to struggling shipping and shipbuilding companies.

Aid in the form of grants and low-interest loans is being provided to small and medium-sized companies affected by the collapse and arrangements have been made for other carriers to deploy vessels on routes previously served by Hanjin.

### APL adds another U.S.-flag ship *continued from page 1*

With the new Guam-Saipan Express route, cargo will arrive on Guam each Thursday morning and will be available for Thursday afternoon, Friday or Monday pickups. Saipan will receive cargo shipments each Friday.

Shipping rates will continue to be competitive, Mensing said.

According to John Selleck, APL’s General Manager for Guam and Micronesia, the overall goal is to facilitate shipping for “retail-type businesses that need to have products on the shelves on the weekends” and for military customers that need timely deliveries due to lack of storage and warehousing space.

The increased service also will provide more options for Guam and Saipan exporters within the company’s network, which offers over 90 weekly service routes to more than 160 ports worldwide.

“We’re excited to continue providing choice to customers of Guam,” Mensing said. “Service will focus on the majority of our business, which is 75% cargo from the States. In addition, though the APL network we’re going to be able to handle business to Guam and Saipan from virtually anywhere in the world.”

SUP-contracted Matson Navigation Company vessels also call Guam, outbound from Honolulu to China.

## Final Departures

**Malcolm Turner**, Book #3129. Born in Washington in 1925. Joined SUP in 1944. Died in Seattle, Washington, October 8, 2016. (Pensioner)

**Peter Nekeferoff**, Book #2460. Born in Alaska in 1941. Joined SUP in 1966. Died in Port Angeles, Washington, October 9, 2016. (Pensioner)

### SUP Meetings

These are the dates for the regularly scheduled SUP meetings in 2016/2017:

	Hdq.	Branch
December	12	19
January	9	Tues. 17
February	Tues. 14	Tues. 21
March	13	20
April	10	17
May	8	15
June	Tues. 13	19
July	10	17
August	14	21
September	11	18
October	Tues. 10	16
November	Tues. 14	20
December	11	18

**Jon Justice**, Book #4307. Born in Oklahoma in 1938. Joined SUP in 1956. Died in Portland, Oregon, October 22, 2016. (Pensioner)

**Mohamed El Mobdy**, Book #1866. Born in Egypt in 1929. Joined SUP in 1951. Died in Olympia, Washington, November 1, 2016. (Pensioner)

**William Fairchild**, Book #2158. Born in Kentucky in 1928. Joined SUP in 1945. Died in Tennessee, November 5, 2016. (Pensioner)

## West Coast Sailors

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# Federal Maritime Commission approves OCEAN Alliance which includes APL

U.S. regulators last month approved a new alliance between four of the world’s largest container operators.

The U.S. Federal Maritime Commission (FMC) voted to allow the OCEAN Alliance, an agreement among France’s CMA CGM, China’s Cosco Group, Hong Kong’s Orient Overseas Container line and Taipei-based Evergreen Marine, to become effective as of October 24, although it is not expected to become operational until April of next year.

CMA CGM (Compagnie Maritime d’Affrètement-Compagnie General Maritime) is the new parent company of American President Lines.

The FMC, which governs the U.S. international ocean transportation system, delayed its initial approval citing concerns about fair pricing for shippers moving cargo in and out of the United States. The FMC announcement said the decision “follows an exhaustive review process.”

Commissioner William Doyle of the FMC said in a statement that he approved the alliance after significant changes were made to the original agreement. The accord now ensures that “parties are limited in their ability to use their collective market power to jointly negotiate contacts” with third parties, he said.

He added that the language in the OCEAN Alliance agreement is now similar to what exists in the alliance agreement known as 2M, between Maersk Line –the A.P. Moller-Maersk shipping unit that is the world’s biggest container line by capacity– and No. 2 global operator Mediterranean Shipping Company.

The parties to the OCEAN agreement will be permitted to share their ships, charter space on each other’s vessels and enter arrangements on major international trade lanes, which could significantly cut their costs.

Shipping alliances have taken on increased importance. While freight rates have fallen sharply in recent years, the industry remains highly fragmented.

The new OCEAN Alliance will challenge the dominance of the 2M, which has a 16% market share in the Asia to North America route and a 34% share for Asia to Europe. A third grouping called THE Alliance, made up of German, Japanese and Korean operators, is awaiting regulatory approvals and will have a 39% market share for Asia to North America and 30% for Asia to Europe.

# Emissions from trucks and ships sharply decline at Port of Oakland

The Port of Oakland has announced that diesel emissions from trucks serving the port declined 98% between 2005 and 2015, while ship emissions during the same time frame dropped 75%.

The port said that the results indicate to them that it should advance its 2008 commitment to reduce seaport-related diesel health risk by 85% by the year 2020. The port added that an analysis of the 2015 Emissions Inventory shows a 76% decrease in total diesel emissions at the Oakland Seaport.

“This is a significant achievement,” said Richard Sinkoff, Director of Environmental Programs and Planning at the Port of Oakland. “The reduction in seaport diesel emissions is important because it’s closely related to reducing health risk for our neighboring communities.”

According to the port’s study, truck Diesel Particulate Matter (DPM) emis-

sions have decreased from 16 tons in 2005 to 0.4 tons in 2015. Overall DPM emissions decreased from 261 tons to 63 tons.

The port listed a number of contributing factors to its emissions improvements, including a \$38 million grant program to upgrade and replace the oldest trucks operating, at the port; a ban on trucks that are not compliant with statewide emissions requirements; shipping lines switching to cleaner burning, low sulfur fuel; and a \$60 million project to construct a power grid that ships can plug into at berth rather than relying on auxiliary diesel engines.

The port and environmental consultant Ramboll Environ compiled and calculated emissions data for 2015 which included an 89% reduction of DPM from locomotives, an 82% reduction of DPM from cargo handling equipment and a 75% reduction of DPM from ocean going vessels.

# Don’t stand in the bight!

Last month, Jacobite Cruises of Loch Ness, Scotland plead guilty to health and safety violations and was fined \$7000 in connection with an accident that led to the amputation of a sailor’s leg.

The casualty occurred June 20, 2012, as the cruise ship *Jacobite Queen* was transiting Loch Ness’ Dochgarroch Locks. Crewmember Aurelia Thabert, 25, was attempting to free her vessel’s stern line from the wall of the lock when ship’s master Andrew Lach put propulsion ahead. Thabert was in the bight of the line, which tightened around her ankle as the *Queen* moved forward.

The vessel exerted enough force on the line that it parted, and Thabert suffered a “degloving injury,” a medical term for the extensive removal of skin and underlying tissue from the muscle below. The damage was so severe that surgeons eventually opted to amputate her leg. Thabert is now able to walk with the aid of a prosthetic, but only for limited periods, prosecutors said. Despite the injury, she continued to work for Jacobite Cruises in a different role for several years after the accident.

Prosecutors argued that the master had acted negligently by failing to ensure that all lines were clear before moving ahead; unreliable UHF walkie-talkies were a complicating factor. The area operations manager for the Maritime and Coastguard Agency, Captain Bill Bennett, said that the vessel’s walkie-talkies had not been working on the day of the accident.

Lach left Jacobite Cruises in 2014 and does not intend to return to work on the water, his counsel told the court. Like his former employer, he plead guilty, and he was fined about \$2,400.

# APL parent CMA CGM posts \$268 million loss in 3rd quarter

French ocean carrier CMA CGM reported a loss of \$268 million for the third quarter of 2016 compared to profits of \$51 million for last year’s third quarter. Had it not acquired Neptune Orient Lines (NOL) and its APL container shipping subsidiary earlier this year, CMA CGM said its third quarter loss would have totaled \$202 million.

CMA CGM said its revenues for the third quarter of 2016 reached \$4.47 billion, up from \$3.98 billion for the third quarter of 2015. However, \$1.14 billion of its revenues for the third quarter of this year resulted from the contribution of NOL/APL.

The company had negative earnings before interest and taxes (EBIT) of \$86 million for the third quarter of this year compared with a positive EBIT of \$158 million for the same 2015 period. Without the NOL/APL contribution, the EBIT for the third quarter of this year would have stood at a loss of \$42 million.

The company carried 4.5 million TEUs in the third quarter, compared with 3.3 million TEUs in the third quarter of 2015. A total of 1.3 million TEUs resulted from the NOL/APL acquisition, so excluding that effect, CMA CGM actually carried about 100,000 fewer containers with its pre NOL/APL fleet.

In reference to the outlook for container shipping, CMA CGM said, “Shipping companies have continued to take measures to adjust the deployed capacity

hence resulting in a better alignment between effective capacity (net of scrapped vessels) and volumes carried. Freight rates have improved slightly but remain nonetheless at a historic lows. Against this backdrop, the Group will continue to focus on the integration of APL, additional cost savings and the quality of service provided to its customers.”

Excluding NOL/APL, CMA CGM said its unit costs were down 9.7% “thanks to the combined impact of lower bunker prices and disciplined expense management.”

The company said it is pushing ahead with a plan dubbed “Agility” that was launched on July 1 and aims to reduce costs by \$1 billion by the end of 2017.

CMA CGM said it has fully repaid a load used to acquire NOL/APL. It said it raised close to \$580 million through the sale and lease-back of containers, \$880 million through the sale and lease-back of 11 ships, and \$260 million by securing receivables.

The company said it is continuing to integrate CMA CGM with NOL, setting up 20 shipping alliances between CMA CGM and APL. It said the full reorganization of the APL and CMA CGM lines will be completed next April with the launch of the Ocean Alliance, a vessel sharing it is planning to enter into with COSCO, OOCL and Evergreen. Details on the new vessel sharing agreement were announced earlier this month.

# Oakland votes to fast-track TraPac terminal expansion

The Port of Oakland is fast-tracking an expansion of TraPac LLC’s marine terminal, with work to begin as early as this month, the port said in a statement.

TraPac announced plans for the project in October at a meeting of Oakland’s Board of Port Commissioners. The project will nearly double the size of the Wilmington, California-based terminal operator and stevedore’s facility at the Port of Oakland.

The company signed a new 14-year lease with the port and plans to grow its facility there from 66 acres to 123 acres, adding two additional vessel berths to the existing two and allowing it to absorb additional cargo volumes.

Construction on a new gate entrance for the facility could begin this month, with refurbishment of the remaining acreage adjacent to the existing TraPac terminal to begin soon after, the company told the Port of Oakland. TraPac estimates the entire project will take about 10 months to complete.

The current TraPac facility handles about 20% of containerized cargo volumes shipped through Oakland, according to port figures.

According to ocean carrier schedule and capacity database BlueWater Reporting’s Terminal Analysis report, six liner services frequent the TraPac terminal at the Port of Oakland. The tool also shows six carriers deploy capacity through the terminal, with MOL (Mitsui O.S.K. Line) deploying the most of 135,767 TEUs from 19 vessels.

The adjacent property into which the company is expanding was formerly occupied by Outer Harbor Terminal LLC, a joint venture between Ports America and Terminal Investment Ltd., the stevedoring affiliate of Mediterranean Shipping Company (MSC). Outer Harbor Terminal ceased operations in March of this year after filing for protection under Chapter 11 of U.S. bankruptcy law.

# Pirates get life for attacking *USS Ashland*

Two Somali pirates have been sentenced to life in prison, and a third to 33 years, for their attack on the *USS Ashland* in the Gulf of Aden in 2010. The third man received a reduced sentence for cooperating with federal prosecutors on another piracy case.

U.S. District Judge Raymond Jackson begrudgingly issued the life sentences after the 4th U.S. Circuit Court of Appeals ruled last year that he erred by originally giving the five men convicted in the case sentences that ranged from 30 to 42 and a half years, reported *The Virginian-Pilot*. Piracy carries a mandatory life sentence under U.S. federal law, but Jackson saw it as cruel and unusual punishment in this case because nobody boarded the *Ashland*, an amphibious dock landing ship, and no U.S. sailors were injured in the attack.

“I didn’t harm anybody. I did not injure anybody. I did not rob anybody,” Abdi Razaq Abshir Osman said through an interpreter at the November 7 sentencing.

The pirates had intended to capture a merchant ship, and mistook *Ashland* for one, opening fire with an AK-47 assault rifle. The *Ashland* returned fire with its 25mm gun, killing one of the men and causing the skiff to catch fire. *Ashland* then deployed her rigid-hull inflatable boats to assist the pirates who had taken to the water. All six were then brought on board *Ashland* where they received medical care. Judge Jackson called the life sentences “harsh” and “totally unjustified.”

# SUP Honor Roll

Voluntary contributions from the membership to the following funds:

## Organization/General Fund

Abe Acosta.....	20.00
Lawrence Wotton .....	25.00

## West Coast Sailors

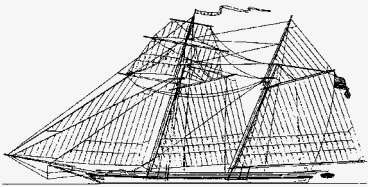
Abe Acosta.....	20.00
Donald Bohle .....	25.00
Lee Cherry.....	25.00
M. Fukano .....	25.00
Rex Harper .....	25.00
Vibeke Jensen in memory of	
Knud Jensen.....	200.00
Joseph Meehan .....	25.00
Michael Pflieger .....	50.00
Jim Stelpstra .....	20.00
Frank Whitman .....	25.00
Lawrence Wotton .....	25.00

## Dues-Paying Pensioners

Donald Cushing	Book #4777
Romaine Dudley	Book #2593
Diane Ferrari	Book #2251
Gerald Ingemansson	Book #0379
Kaj E. Kristensen	Book #3120
Hannu Kurppa	Book #3162
Dave Larsen	Book 19078
Duane Nash	Book #2437
John Perez	Book #3810
James Savage	Book #7488
David Shands	Book #7483
Arthur Thanash	Book #3249

## Political Fund

Abe Acosta.....	20.00
Saher Ali .....	50.00
Milton Caballero.....	10.00
Marc Calairo.....	60.00
Isagani Cruz .....	50.00
Austin Gahan.....	10.00
Brandon Keopuhiwa.....	50.00
John LaPollo .....	100.00
Bruce LePule .....	30.00
Gunnar Lundeborg.....	50.00
Raoul Macalinao.....	40.00
Brian McCarthy .....	20.00
Ricky Pangan .....	100.00
Jesper Pfeil.....	20.00
Arsenio Purganan.....	50.00
Antonio Respicio.....	10.00
Robert Richard.....	20.00
Philip Romei .....	100.00
Knud Sorensen .....	100.00
Tulilo Tautala .....	25.00
Robert Taylor .....	100.00
Bruce Thompson in memory of	
Jimmy Dimitratos .....	50.00
Daniel TinTun .....	100.00
Louie Urbano.....	50.00
Phillip Williams .....	100.00
Lawrence Wotton .....	150.00
Jose Ysern .....	50.00



# Migrants suffocate in bottom of boat in the Mediterranean

Twenty-five migrants were found dead in the bottom of a rubber boat in the Mediterranean, aid group Doctors Without Borders (MSF) said October 26, as sea deaths look set to break last year’s record.

Rescuers found the dead, who had apparently suffocated after inhaling fuel, in a packed boat 26 miles from the coast of Libya that was also carrying 107 survivors, MSF said in a statement. It took three hours to recover 11 of the trapped corpses, which were submerged in a mix of sea water and fuel, MSF said, so rescuers enlisted the help of Sea-Watch, another aid group.

More than 3,740 migrants have drowned on their way to Europe so far this year, nearly matching the death toll recorded for all of 2015 when three times as many people took to the seas, according to the United Nations refugee agency.

Among those rescued, 23 people had chemical burns, MSF said. Medical evacuation had to be arranged for seven of the injured, two of whom were taken to Italy by helicopter.

One young woman was intubated by the onboard medical team before being evacuated, to stabilize her condition. The survivors, among them the husband and the eight-month-old child of one of the victims, were given immediate psychological aid by the MSF team and will be given further support and care by MSF’s psychological first aid team on shore once they disembark in Italy.

“This is a tragedy, but we can’t say that today is an exceptional day at sea,” said Stefano Argenziano, Manager of Migration Operations for MSF. “The past weeks have been horrific, with our rescue teams and other boats involved in almost continuous rescues and far too many men, women and children dying. Sea rescue operations are becoming a race through a maritime graveyard and our rescue teams are overwhelmed by a policy-made crisis where we feel powerless to stop the loss of life.”

## Nautical terms in everyday speech

### Rummage Sale ... (sale of cast-off goods)

In the days of wooden merchant ships, dockside warehouses held special sales of damaged cargo. Called *rummage sales*, they took their name from the Old French word *arrumage*, meaning to pack or stow cargo aboard ship. Rummage gradually took on the meaning of unwanted, damaged, or low-quality castoffs, such as items of clothing or household goods. The act of “rummaging” also came to mean ransacking or searching through a jumble of objects.

# Social Security recipients to receive tiny increase

Millions of Social Security recipients and federal retirees will get a 0.3% increase in monthly benefits next year, the fifth year in a row that older Americans will have to settle for historically low raises. The adjustment adds up to a monthly increase of less than \$4 a month for an average recipient.

The cost-of-living adjustment, announced by the government last month, will affect more than 70 million people – about one in five Americans. For recipients, the average monthly Social Security payment now is \$1,238.

Unfortunately for some seniors, even the small increase will probably be wiped out by an expected increase in Medicare Part B premiums, which are usually deducted from Social Security payments.

**SUP pensioners are reimbursed for this cost by the SUP Welfare Plan.**

By law, rising premiums for most Medicare recipients cannot exceed their Social Security cost-of-living increase. That’s known as the “hold harmless” provision.

However, new enrollees and high-income retirees are not covered by that provision, so they could face higher Medicare premiums, which will be announced later this year.

There was no Social Security benefit increase this year, and next year’s will be small because inflation is low, driven in part by cheaper fuel prices. The low inflation rate should help keep some older folks’ bills from rising very rapidly.

More than 60 million retirees, disabled workers, spouses and children get Social Security benefits. The COLA also affects benefits for about four million disabled veterans, 2.5 million federal retirees and their survivors, and more than eight million people who get Supplemental Security Income, the disability program for the poor. Many people who get SSI also receive Social Security.

Since 2008, the COLA has been above 2% only once, in 2011. It’s been zero three times.

# Massive U.S. southeast container terminal project moves forward

After years of being discussed, a planned \$3 billion container terminal on the Georgia-South Carolina border took a major step forward last month when the U.S. Army Corps of Engineers formally began its review of the project.

The Corps’ announcement that it has begun an environmental impact statement for the Jasper Ocean Terminal, a joint venture between the Georgia and South Carolina port authorities, begins the process of gaining not just federal authorization, but lining the project up for potential federal funding. It’s a project that raises shipper hopes the two rival port authorities can deliver the capacity that will be badly needed in roughly a decade.

“You go through that whole process obviously and all the alternative analysis has to be done: impacts on the Savannah River, all the impacts on the dredge management containment areas have to be looked at,” Doug Marchand, Executive Director of the Jasper Ocean Terminal Joint Project Office, told the *Journal of Commerce*. “Do we see any major roadblocks? No. But it’s early on in the process.”

Marchand and other project backers have argued there are no other alternatives to accommodate the rapid growth in the local Southeast market, which will require more terminal capacity than offered by either Savannah or Charleston.

The terminal will have a harbor depth of 50 feet and capacity for more than one million 20-foot-equivalent units (TEUs) annually upon completion around 2030. Jasper backers aim for the new capacity to come on just as fast-growing Savannah and Charleston are projected to reach the limits of their current capacity.

At total build-out in 2020, throughput capacity at Savannah will grow to 6.5 million TEUs. Meanwhile, the completion of the new Hugh K. Leatherman Sr. Terminal at Charleston will bring the South Carolina port to 4.2 million TEUs by 2030. Expansion is underway at both ports, but officials say even that won’t be enough to handle the growth in imports expected to reach the Southeast’s shores in the next 15 years.

Together, Savannah and Charleston handled just more than 50% of container imports moving through the Southeast between January and September of this year, up more than 2% over 2010. Savannah’s Garden City terminal, the busiest container gateway in the Southeast and second only to the Port of New York-New Jersey on the East Coast, handled 32.07% of that import traffic between January and September. Meanwhile, Charleston, which ranks third in the region after Virginia, handled 19.38% of that volume in the same time span.

Both Savannah and Charleston have also seen their national market share increase during the past five years. Savannah’s share of U.S. imports in 2010 was just 6.04%, compared with 7.74% in 2015, and Charleston just 3.14% in 2010, compared with 4% last year.

The joint project between two longstanding rivals is not the easiest choice, but it’s the best choice, Marchand said. “We’ve been very deliberate. Both sides had to agree and they do. It’s very expensive. Even the process of getting to this point is expensive. We’re going to do our due diligence, but we’re confident this site is the best site for this expansion for the two states.”

Under the most favorable scenarios, development of the Jasper terminal is not expected to start for more than a decade. Besides site work, the property would require construction of road and rail connections.

Defend the Maritime Security Program

Support the SUP Political Fund



# Impacts of mega-ships on U.S. ports spread unevenly

Multiple calls by large vessels on certain days of the week, known as vessel bunching, are straining the equipment and labor resources at U.S. ports and presenting a growing threat to productivity at container terminals, according to a *Journal of Commerce* study.

Although mega-ships in and of themselves have an impact on terminal resources and productivity, “the bunching will be causing more significant challenges” in stressing the ability of ship-to-shore cranes, labor and container yard equipment to handle the cargo surges, according to Andy Lane, a partner with CTI Consultancy, who produced the study.

Los Angeles-Long Beach has felt the impact of mega-ship bunching for several years because calls by multiple vessels capable of carrying 8,000 to 14,000 twenty-foot-equivalent units (TEUs) in the same week are a fact of life. June’s completion of the third set of locks at the Panama Canal, however, is allowing larger mega-ships to call at New York-New Jersey and other East Coast ports.

Larger ports handle dozens of vessel services each week. At some ports, vessel calls peak on two or three days of the week due to the rotation of port calls from Asia, Europe, and Latin America. This is especially true when a port complex such as Los Angeles-Long Beach or New York-New Jersey is the first inbound call for these services because of their large local populations.

**Vessel bunching is straining the ability of the ports and their terminal operators to muster sufficient labor and equipment on peak days, Lane said. The bunching effect can last for two or three days because of the increasing size of the cargo surges. “In both Los Angeles-Long Beach and New York-New Jersey, we witness huge productivity losses during and immediately after the highest peaks of demand,” he said. It should be noted that productivity is measured against the vessel, in the yard, and at the gates, so the impact of vessel bunching is felt throughout the marine terminal.**

The ever-increasing size of the vessels and their cargo surges compounds the impact of multiple vessel calls on a single day. This is a particular problem for first calls in Southern California and New York-New Jersey, where a larger percentage of the vessel contents is worked than at subsequent ports on the rotations.

Lane refers to these cargo surges as “large batches” of containers, and they occur mostly in the Asia-U.S. trades where the mega-ships are deployed. “For Los Angeles, 86% of total demand is in batches of 3,000 (container) moves per call or more, which is extreme by global as well as U.S. standards,” he said.

Over the past couple of years in Los Angeles-Long Beach, container moves per vessel call on some routes have been consistently above 5,000. “For the other major U.S. ports, the majority of total demand is delivered in batches of between 1,000 and 3,000 moves per call,” he said.

## The challenges of measuring port productivity

Measuring the impact of big-vessel calls on big ports is complicated by the fact that the cargo surges are spread out over the several days that each vessel is in port. Ports that are second and third in rotation on a weekly service, experience a diminishing cargo surge, and often can complete work on the vessel in a single shift using two cranes.

By contrast, a 14,000-TEU vessel calling in Los Angeles-Long Beach and discharging and reloading 80% or more of the containers will be at berth three to five days, and will be worked on two eight-hour shifts each day using five or more cranes.

**The difference in the types of ports – first call vs. second or third call– makes it difficult to compare vessel berth productivity across all major U.S. ports. The size of the vessels, the percentage of each vessel normally worked, and the willingness of each shipping line to pay for overtime work in order to expedite loading must be factored into the numbers, and the numbers can vary from call to call.**

For example, if a vessel arrives at berth in the middle of a night shift, the carrier may not want work to begin until 8:00 A.M. the next day, said Ed DeNike, Chief Operating Officer of SSA Marine, which operates three container terminals in Long Beach. Longshoremen called to work half a shift are, by contract, paid for the entire shift.

Big ships, with containers stowed 10 rows or more high on deck, add a complicating factor when measuring vessel-at-berth productivity, and these mega-ships are creating huge demands on certain types of labor. When work begins on a big ship with containers stacked 10 rows high on deck, DeNike said, crane productivity starts with a bang because the initial moves are the easiest for the crane operator to perform – lifting a container from the top of the row and lowering it to a waiting yard tractor.

But when the deck has been cleared and the crane operator begins to work below deck, the pace slows because each inbound container removed from a vessel must be replaced by an outbound container. Removing an outbound container from a yard tractor and loading it onto the ship requires more precision by the crane operator and therefore takes more time.

When all of the containers have been loaded onto the ship below deck and operations shift to completion of the loading process on the deck, the complexity is even greater, especially on a mega-vessel, so the time required to perform those final moves increases.

The big ships with containers stacked high on deck present another challenge, and cost, for the terminal operator. That function involves lashing the containers with heavy bars to secure the containers for the voyage. The lashing of containers adds time to the loading process and, with today’s big ships, calls for the use of many more lashers. DeNike said the largest ships may require 40 to 50 lashers, compared with a half-dozen when ships were much smaller.

Lashing has become such an important skill that in Asia, where most of the mega-ships begin their voyages to the United States and Europe, some ports have lashing companies. The stevedoring company will subcontract this work to companies that perform only lashing work. They have experienced workers trained in that skill, DeNike said.

Although big ships challenge productivity, they also contribute to improved productivity in certain areas. When aggregating berth productivity numbers across a port, those that regularly have the highest percentage of their calls by large vessels normally score highest in berth productivity. That’s because a big ship will be worked consistently over two or

more shifts with four or more cranes, so the total number of containers discharged from and loaded onto the vessel each hour will be large.

By contrast, a port with smaller container exchanges from smaller vessels will work only one or two cranes against the ship. “Larger call sizes generate more productivity because they demand the use of more cranes,” said Larry Nye, head of port planning at infrastructure and port engineering consultant Moffatt & Nichol. Because the vessel will be in port for three days or more, and will be worked on two shifts each day, the terminal operator can prepare by reserving sufficient labor and equipment to handle these weekly calls.

However, in a port complex such as Los Angeles-Long Beach, which has 13 container terminals and dozens of ship-to-shore cranes as well as dozens of yard cranes, the demands on labor, especially skilled labor, can be crippling. Operating ship-to-shore cranes and yard cranes requires the use of experienced, skilled workers, so vessel bunching on certain days of the week places extra demands on the supply of skilled labor, DeNike explained.

## Port layouts: An unexpected mega-ship challenge

This complex environment becomes even more complex when the number of terminals in a port is considered. In ports such as Los Angeles-Long Beach and New York-New Jersey, which have multiple container terminals operated by different stevedoring companies, some of which have a corporate affiliation with the shipping line that calls at the facility, physical resources can go unused or underutilized on some days, compared with a general-user facility where a number of lines call and the terminal is in constant operation.

**In Southern California, at least, and possibly New York-New Jersey, “the terminals are far too fragmented,” Lane argues. For example, in Los Angeles-Long Beach, 13 container terminals handle a total of 15 million TEUs a year, whereas in Shanghai, six container terminals handle more than 32 million TEUs a year.**

**The implication is that terminal consolidation may be necessary at some U.S. ports, but this may not be physically or commercially possible, given the existing layout and location of the terminals, Nye said. In some instances, such as Oakland, three former 100-acre adjacent terminals operated by three companies were combined into one, more efficient, 300-acre facility. It worked because the terminals were adjacent, and the interests involved in two of the facilities agreed to sell their operations to SSA.**

Los Angeles-Long Beach has been undergoing terminal consolidation for the past 20 years, and is now down to 13 container terminals, but given the spread-out geography of the two ports and corporate affiliations of some terminal operators and shipping lines, further consolidation will be difficult, Nye said.

Given all of the variables involving bigger ships operated by larger vessel-sharing alliances generating huge cargo surges with growing vessel bunching each week, it’s safe to conclude that the complexity of terminal operations will increase further in the coming years, and the impact of these developments could spread beyond Los Angeles-Long Beach and New York-New Jersey.

# DOT provides new details on Sea Year at King’s Point

On October 25, the Department of Transportation (DOT) provided new details on its decision to suspend the U.S. Merchant Marine Academy’s (USMMA) Sea Year program over persistent problems with sexual assault, harassment and intimidation.

DOT’s new statements were in response to questions from a group of 20 Congressional representatives on the status of the suspension and on the academy’s accreditation, which is at risk due to alleged management deficiencies.

The agency said that the decision to suspend Sea Year was based on public information from the academy’s own annual reports on sexual assault and sexual harassment (SA/SH), in addition to “group discussions and individual interviews with midshipmen who have returned from Sea Year,” which revealed a pattern of hazing, coercion, harassment and retaliation while underway. DOT acknowledged that information from interviews was anecdotal, but that when combined with a history of harassment and underreporting, it was sufficiently concerning to warrant action.

The agency also provided a more complete timeline on the events leading up to its decision:

- Maritime Administrator Paul Jaenichen held conversations with industry leaders on the issue in January and again in April.
- Given the information described above, and with another group of midshipmen about to depart for their Sea Year assignments, Secretary Anthony Foxx ordered the stand down on June 13.
- Coast Guard, Navy and Army experts were brought in for a “Call-to-Action” meeting with industry leaders June 24.

Sea Year was reinstated on federally-owned vessels in August, but the program remains suspended on commercial ships pending a consultants’ review of SA/SH at the academy.

State maritime academy cadets may continue to ship out on the same commercial vessels for sea time, a point of contention for some USMMA alumni, parents and students. DOT said that while it directly supervises USMMA, it does not have the authority to require the state academies to suspend their own training programs.

The agency also addressed the question of midshipmen’s pay, the wages that they would earn on commercial ships but cannot while Sea Year remains suspended. DOT noted that while they cannot sail on commercial vessels, many midshipmen are getting their sea time on Ready Reserve Force vessels – the active, maintained component of the National Defense Reserve Fleet (or “mothball fleet”).

Midshipmen assigned to the RRF serve without pay, but they are still fulfilling the requirements towards their licenses. DOT noted that they continue to benefit from USMMA’s low cost of attendance, estimated at \$3,500 (excluding personal expenses like transportation to campus, health insurance and sundries).

DOT said that it would not be adjusting any graduation requirements for students affected by the stand down – nor could it, as licensing is administered by the Coast Guard in accordance with IMO standards. However, the agency remains optimistic that graduation delays will be minimal.

# 26 sailors released by Somali pirates Too frightened to be safe: lifeboat drills

by Richard Clayton, Senior Editor, IHS Fairplay

A Somali pirate said on October 22, that 26 Asian sailors held hostage for more than four years had been freed after a ransom was paid, and international mediators said the release “represents the end of captivity for the last remaining seafarers taken hostage during the height of Somali piracy.”

The sailors, from Vietnam, Taiwan, Cambodia, Indonesia, China and the Philippines, had been among the few hostages still in the hands of Somali pirates.

The pirate, Bile Hussein, said the sailors were the crew of the *FV Naham 3*, a Taiwanese-owned fishing vessel seized in March 2012. The ship later sank.

Hussein said \$1.5 million in ransom had been demanded for the sailors’ release.

The crew of the *Naham 3*, a long-line fishing trawler, will never forget the day in 2012 when they disappeared.

In the early morning hours of March 26, somewhere in the deep blue waters of the western Indian Ocean near the Seychelles, a small boat emerged out of the murk. It zoomed toward the *Naham 3* with a burst of gunfire.

“It’s the pirates! It’s the pirates!” the captain yelled.

What followed were four-and-a-half years of captivity, during which the crew members were beaten with bamboo poles, ate rats to survive and were held at gunpoint in a sweltering stretch of Somalian desert by a band of pirates who were convinced they were going to make many millions of dollars.

It all finally ended. The pirates finally relented, accepting a smaller amount to release the 26 surviving members of the *Naham 3* crew after one of the longest pirate hostage ordeals ever endured.

On October 24, the crew members gathered in a hotel in Nairobi, Kenya, to recount their ordeal. They were wearing donated clothes and relaxed smiles, looking more like a sports team n matching blue polo shirts and new flip-flops.

“Some of my crewmen kept saying: ‘We will never go home. We will die here,’” said Antonio A. Libres, Jr., one of the former hostages. “But me, no. I never gave up.”

Libres, a Filipino sailor, seemed almost confused about how his captors could be so heartless. “The pirates are worse than animals,” he said. “You can’t understand these people.”

Somalia’s piracy problem has eased compared with five year ago, when scores of ships were hijacked and the pirate crews waited for shrink-wrapped millions to fall from the sky. (That was the preferred way of delivering ransoms – wrapping blocks of cash in plastic and dropping them from planes by parachute.)

Shipping companies eventually wised up and employed armed guards to fire on pirate skiffs. The added security, along with increased sea patrols by Western navies, brought the pirate frenzy to a halt. According to the European Union’s anti-piracy program, there were no Somali pirate attacks against commercial vessels in 2015 and there have been none recorded this year; there were 176 attacks as recently as 2011.

Still, dozens of sailors remained in captivity from earlier attacks. Negotiators had been working for years to free the crew of the *Naham 3*, an Omani-flagged vessel hijacked while fishing for tuna near the Seychelles.

“The pirates were uneducated, obstructionist, unmotivated and unreal-

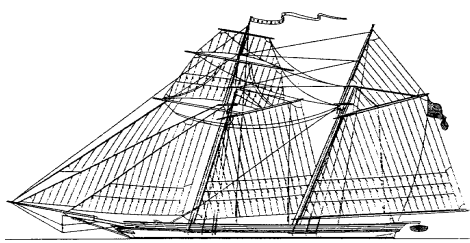
istic,” said Leslie Edwards, the lead negotiator for the sailors’ release. “They picked poor fishermen from poor countries, from poor families. They were dreaming about huge amounts of money the were never going to get.”

In the end, negotiators worked with clan elders in Somalia to persuade the pirates to accept a relatively small amount of money to cover the costs of holding the captives for 1,672 days. The negotiators did not disclose the amount, though they said it was “nothing” compared with what the pirates originally demanded. A British law firm helped raise the money, and the rescue mission was coordinated by Oceans Beyond Piracy, a project run by an American nonprofit organization.

The sailors said they often survived on one liter of water a day in the Somalian desert, where the temperatures routinely soared beyond 100 degrees Fahrenheit. The y had so litter food that they were forced to trap rats, birds and wild cats to eat. The worst part, they said, was seeing three shipmates die – two from sickness, one who was shot to death.

“Even if I tell you all the bad words in the world, that is not enough for them,” Arnel Balbero, another Filipino sailor said of his captors. But there is no point in stay angry about it. “What are you going to do?” he said. “The important thing is to start again.”

That start, he said, will be on land. He has promised his family he will never go back to sea.



## Small British Columbia port seeks to create container mega-hub

Port Alberni, a small port with deep water on the west coast of Vancouver Island, has a huge vision: it wants to build a 3.5 million TEU terminal for ultra large container vessels, with enough room to grow into one of the busiest container hubs north of Oakland.

Its value proposition is simple. Right now, vessels arriving from Asia travel through the Strait of Juan de Fuca to Seattle/Tacoma, then up to Vancouver, B.C., then back out the Strait again. Dillon Consulting, a Canadian management and infrastructure consultancy, estimates that the round trip takes 480 nautical miles, three days and about \$600,000 in costs for the largest container ships. But what if a ULCV (Ultra Large Container Vessel) could call at Port Alberni, skip the journey inland and drop off all of its Pacific Northwest-bound containers at one place? All in all, port president and CEO Zoran Knezevic believes that using a terminal at Port Alberni would save carriers about \$1 million per vessel per call.

The only problem is that Port Alberni does not have a large by road or rail infrastructure. Almost all of the containers deposited at its wharves would have to be reloaded onto barges for short-sea shipping to Seattle or Vancouver. This would mean additional container moves at each end, with the attendant cost of longshore operations, plus dozens of tug trips to and from destination ports.

The short sea component would impose costs, but Knezevic says that this could be offset through savings from a high level of automation at the new terminal, by reducing pilotage fees, and by a wrinkle in the operations of Vancouver’s Deltaport container terminal, which is Canada’s largest. Many containers leaving that terminal go by truck to distribution centers near downtown Vancouver, and limited highway capacity out of the port has led to a costly traffic problem. With short-sea barges, containers could arrive directly at wharves adjacent to distribution centers on the Fraser River, bypassing Deltaport altogether – eliminating the costs of trucking. In addition to the financial benefits for shippers and carriers, Knezevic suggests that this would have a positive social impact as well, reducing road congestion and emissions.

The port completed its feasibility study for a container hub last year, and it is seeking investors to move ahead. Its larger neighbors also have expansion plans – Port of Vancouver is seeking a second container terminal adjacent to Deltaport, and the Port of Seattle is applying for the permits to upgrade its Terminal 5 to handle ULCVs – but if Port Alberni can build a business model like the successful transshipment ventures at Tanjung Pelepas or Colombo, it might reshape the landscape of container traffic in the Pacific Northwest.

The October issue of the British publication *IHS Safety at Sea* began with a report on a tragedy involving five seafarers killed and three injured when a lifeboat drill on cruise ship *Thomson Majesty* went badly wrong. That article noted serious issues that remained to be addressed regarding inadequate servicing and maintenance of equipment, leading to damage and faults. But what impact do such incidents have on the seafarers themselves?

The *Thomson Majesty* incident occurred in February 2013. There was yet another incident in September this year during a lifeboat drill on the cruise ship *Harmony of the Seas*. This time one seafarer was killed and four others were injured when a lifeboat became detached during routine training while in the French port of Marseille. The media described it as “human error”.

It’s time the industry got to grips not only with equipment failure but also with mistakes and bad judgment by seafarers, and the psychological impact such incidents can have on crews.

Nautilus International, which represents 22,000 licensed personnel in the United Kingdom, the Netherlands, and Switzerland, has been vocal in its response. General Secretary Mark Dickinson observed that there was now extensive evidence to show the scale of fatalities arising from accidents. “It is appalling that the industry seems incapable of solving this problem.” He said it was time for “radical rethinking” about the whole concept of lifeboats and to examine the potential of alternative evacuation systems.

A different perspective was offered in a report released in April 2016 by academics at the Seafarers International Research Center (SIRC). The report was based on semi-structured interviews with 152 seafarers at sea, vignette interviews with 211 active seafarers ashore, and the completion of questionnaires by 2,500 serving officers. It was discovered that tight vessel schedules often did not allow sufficient time for drills, with the result that training exercises were inadequate and some drills were recorded but not completed. Further, some seafarers revealed that they stepped back from participation in drills “due to fear of the equipment involved”.

Seafarers who had witnessed or heard about accidents in drills expected accidents and incidents to occur, and even some captains avoided drills because they feared for the safety of their seafarers. It was precisely because training exercises were carried out infrequently that they were more hazardous.

One seafarer reported that the school he attended lacked facilities for training in the use of equipment. “Most of the time our training was based on books,” he said. “You are shown pictures and you read instructions on how to use the equipment but you don’t get the chance to use them.” Even on board, the seafarers reported, there is a wide range of experience from captains who undertake full drills to others who go through the motions and tick the boxes.

Not surprisingly, many seafarers were fearful of using lifeboats in drills and training, and where drills were irregular there were often reports of equipment malfunctions and failings. There were several anecdotes of lifeboats that couldn’t be raised back into position after lowering.

“Such experiences inevitably undermined seafarers’ confidence,” the authors wrote, “as did (sometimes very serious) accidents we found had been witnessed or experienced during drills.” One surveyor asked for the lifeboat to be lowered slowly, then stopped, then lowered again. The boat then fell more than a meter to the water; one seafarer suffered two cracked vertebrae, the surveyor suffered severe back pains, and the damaged lifeboat had to be sent for repair. Even minor incidents, such as a sudden jolt as the lifeboat drops unexpectedly, dent confidence.

When seafarers witness catastrophic injuries, a lost limb perhaps or a fatal injury, as on *Harmony of the Seas*, it’s understandable that they take a very long time to regain confidence in the equipment and the people they are working with. One seafarer was so traumatized that he prayed before every drill “please don’t let anything bad happen”.

Among its main findings, the SIRC academics observed that several design issues “impacted on attitudes to equipment producing considerable fear in the course of drills and fearfulness with regard to use of such equipment during emergencies”. They concluded that “Loss of faith in the design of equipment had a knock-on effect in terms of training and drills.”

Something is seriously wrong when seafarers are too scared to use lifesaving appliances.



## ESU Office Assignments

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



## ESU NEWS

NOVEMBER 2016

Official Publication of the Exxon Seamen's Union

# Merchant Mariner Credential processing delays

The National Maritime Center (NMC) is experiencing a higher than average volume of applications for this time of the year. With Hurricane Matthew passing through Florida and South Carolina in October, both REC Miami and REC Charleston are still recovering from excessive inventories. Additionally, the NMC Evaluations Branch is experiencing a shortage of qualified evaluators at the upper credential levels which is contributing to increased processing time. Medical certificate applications are not impacted.

Until further notice, mariners are highly encouraged to submit their applications to RECs other than Miami and Charleston and may do so via e-mail, standard mail, fax, or drop off in person, preferably using the appointment scheduler on the NMC website. Additionally, mariners who are going to expire within the next 6 months should not wait until several weeks prior to their expiration date to submit their renewal applications and are reminded that the post-dating of credentials up to 8 months is still afforded by the Coast Guard.

The NMC is taking actions to address the excess inventory levels. For additional information, please visit the NMC website at <http://www.uscg.mil/nmc/> or call 1-888-427-5662.

# First quarter 2017 lump sum pension rate drops to 2.25%

ExxonMobil benefits recently announced for the first quarter of 2017 the interest rate for lump sum calculations will decrease to 2.25% for the period of January 1- March 31, 2017. If you are considering retirement and plan to take a lump sum pension, a lower lump sum interest rate will generally yield a higher lump sum amount. Conversely, a higher lump sum interest rate will generally yield a lower lump sum amount.

The ESU recommends that anyone that is eligible, or soon to be eligible to retire from the Company to consider attending a pre-retirement planning seminar that is offered by ExxonMobil. Other available retirement information is offered by the Company through Ernst and Young that includes retirement and financial planning and on-line financial planning tools at E&Y Financial Planners (866-966-1337). These services are provided at no cost to U.S. employees and offer objective analysis and assistance from experienced financial planners.

If you are interested in attending retirement seminar and have a retirement date in mind, you should notify Helen Wright at 832-624-7759 for assistance. If you do not have a list of dates for 2016, please contact the ESU office.

# Free flu shots

Flu shots are again being offered to the membership by SeaRiver's Medical Department at no cost to the individual. The Company will arrange flu shots on board the vessels and at most of the designated clinic where annual physicals are conducted.

Seasonal flu shots are generally both safe and effective, except for people with chicken egg allergies and a few other rare conditions. If you have any health concerns about flu shots, you should check with your personal physician. Incidentally, the flu shot program is on a voluntary basis.

## Ship reports

### S/R American Progress

ESU Board officer John Straley visited the vessel at ExxonMobil Refinery in Beaumont, TX on November 11. The vessel was loading gasoline and diesel cargoes for discharge at Tampa and Port Everglades, FL. Tentatively, the next load port is scheduled for Baytown, TX. Larry Miles is filling in with the Ship Rep. duties and reports everything going well.

### Eagle Bay

Board officer Leo DeCastro visited the vessel at Tesoro in Long Beach, CA on November 9. Concern expressed by crew about extended sea tours, especially as we enter the holiday season. Management is in the process of hiring and expect to start new hire orientation the week of December 12, for seven new unlicensed employees. It is expected that an additional three will be hired during the month of January. Regular Ship Rep. Thor Floreen aboard and aside from longer tours, reports everything is going okay.

### Liberty Bay

Board officer John Straley visited the vessel at Tesoro in Long Beach, CA on November 18. Next trip south the vessel is slated for the San Francisco Bay area. Regular Ship Rep. Joe Buffington just returned to work and reports no problems at the present time.

# Two more ESU members retire



Happy campers heading off to the airport and paid leave in early October along with two future retirees. Crew members departing from the S/R American Progress in Ft. Lauderdale are from left to right; Winston Howerton, Kevin Conroy, Lorenzo Fontana, Jerzy Romaniuk, Bob Ross and Donald Hatch.

During November, the ESU has been informed that two more longtime ESU Members have elected to retire from SeaRiver Maritime. Unlicensed retirements have been on the upswing as of late, especially from the *American Progress* (five during the September to December time frame).

Able Seaman Kevin Conroy retired on November 8, 2016 with over 26 years of Company service. Kevin began his service with Exxon Shipping Company on August 5, 1990, with his first assignment as Maintenance Seamen aboard the *Exxon Long Beach*. Kevin hired in with previous sea going experience, quickly proved his more than capable Deck Department skills and was promoted to the AB position a few months later.

During his career Kevin was always a staunch union supporter and served the ESU membership as ESU Treasurer from 1999 through 2001 and then as President from 2006 through 2008. Kevin's leader-

ship served the membership well during his time in ESU office.

Able Seaman Jerzy Romaniuk retired on November 23, 2016 with over 26 years of Company service. Jerzy began his service with Exxon Shipping Company on July 30, 1990 with his first assignment as Able Seaman aboard the *Exxon Baton Rouge*. Jerzy also came with previous Deck Department experience and was quickly promoted to the position of AB.

Both Kevin and Jerzy's last vessel assignments were on the *S/R American Progress* where the crew honored their accomplishments and contributions with a traditional shipboard retirement ceremony.

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

# Election reminder

The deadline is rapidly approaching for election of ESU officers. The only position being contested in this election cycle is the Ship Representative position for the *S/R American Progress*. Michael Harrison and Wilbert Jackson are both running for the position. The ESU appreciates their commitment and willingness to step forward to serve as Ship Rep for the *Progress*. Other ESU positions up for election but were unopposed are as follows: Vice President/Treasurer, Deck, Steward and Engine Trustees and the Ship Representative position for the *Liberty Bay*.

There is still time to cast your ballot if you have not yet done so but everyone needs to be aware that the voting period for this election will end on December 6th at 10:00 a.m. Results will be announced later that afternoon.

If you need a ballot, let the Union office know and we will send you another or see your Ship Representative if you are on the ship. Please remember to exercise your right as an ESU member and VOTE!

## EXXON SEAMEN'S UNION

Founded March 28, 1941

Affiliated with the Sailors' Union of the Pacific

P.O. Box 754, Seabrook, TX 77586  
Tel (832) 295-3047 Fax (832) 201-0441  
E-Mail: [esusea@sbcglobal.net](mailto:esusea@sbcglobal.net)

President/Secretary John Straley

Vice President/Treasurer Leo DeCastro	Deck Trustee Jeffrey Harris
Board Member at Large Don Picou	Engine Trustee William Ackley
Board Member at Large Ein Cooley	Steward Trustee Joel Mitchell



# Canada and Denmark claim island with schapps and Canadian whiskey

International disputes over territory can be ugly affairs, waged with all the nastiness of a divorce, backed with the force of armies. Just in the last few years, China has built islands topped with military bases to back its claim to vast stretches of ocean, in conflict with half a dozen other Asian countries, while Russia has forged a path of bloodshed and destruction in Ukraine over its annexation of Crimea.

But that’s not how Canada and Denmark roll. Their way of contesting ownership of an uninhabited island in the Arctic would better suit a dinner party than a battlefield: It comes down to B.Y.O.B.

Hans Island is really just a large rock, but it happens to lie smack dab in the middle of the Nares Strait, a 22-mile-wide channel of very cold water separating Canada and Greenland, an autonomous territory of Denmark. The island falls within the 12-mile territorial limit of either shore, allowing both sides to claim it under international law.

Canada and Denmark set out to establish a definitive border through the strait in 1973, but they couldn’t agree on what to do about Hans Island, so they left the issue aside to be resolved later.

The calm diplomatic waters grew choppy in 1984 when Canadian troops visited the island, planted their nation’s flag and left another symbolic marker as well: a bottle of Canadian whiskey.

The Danes couldn’t let that stand. The country’s minister of Greenland affairs soon arrived on the island to replace the offending Canadian symbols with a Danish flag and a bottle of Danish schnapps, along with a note saying “Welcome to the Danish island.”

And so began a spirited dispute, one that has lasted decades, with each side dropping by the island periodically to scoop up the other side’s patriotic bottle and replace it with their own. (What becomes of the evicted liquor? No one is saying.)

Canada and Denmark agreed in 2005 on a process to resolve the status of Hans Island, but the diplomats have made little headway since then. Hoping to encourage the negotiations, two academics put forward a proposal in 2015 to blend realpolitik with real estate: Make the island a “condominium” of shared sovereignty under two flags –and presumably, two bottles.

## CMA CGM looks to sell APL terminals

French shipping company CMA CGM is seeking a buyer for the APL container terminals, according to a report in the *Singapore Business Times* by Bloomberg, citing “people with knowledge of the matter.”

CMA CGM acquired Neptune Orient Lines and its APL subsidiary earlier this year.

According to an APL fact sheet, the company owns terminals in Los Angeles, Dutch Harbor, Kobe, Yokohama and Kaohsiung, Taiwan. In addition, the company is involved in joint ventures in Qingdao, China; Laem Chabang, Thailand, Ho Chi Minh City, Vietnam and Rotterdam.

If APL is selling the Global Gateway South terminal in Los Angeles, it would be putting the facility up for sale at the same time Hanjin Shipping is seeking to sell its 54% stake in the Total Terminals International (TTI) operation in Long Beach to co-owner Mediterranean Shipping Company (MSC), which owns the other 46%. An MSC spokesman confirmed that it is negotiating to purchase Hanjin’s stake in TTI.



Membership and Rating Committee from the left: David Frizzi, Paul Fuentes and Isagani Cruz. Photo: Roy Tufono

## Membership and Ratings Committee

The committee met on November 3, 2016, and found the following members eligible for advancement in seniority and rating stamps in the various departments:

Name and Membership Number	Seatime	Rating	Seniority
Steve Fuentes 19473	1 Year	A.B.	B
Gearoid DeCleir 19474	1 Year	A.B.	B
Lawrence Wotton 19475	1 Year	A.B.	B
Noel Rezada C-2637	30 Days	A.B.	C
Aniceto Ocampo C-2639	30 Days	A.B.	C
Fank Martin C-2640	30 Days	O.S.	C
Travis Johnson C-2641	30 Days	A.B.	C
Michael Schmahl C-2642	30 Days	A.B.	C
Bosun Stamp - None			

Membership and Ratings Committee’s Report: M/S to concur in the Committee’s report. Carried unanimously. Membership and Ratings Committee: Paul Fuentes #2239, David Frizzi #2255, and Isagani Cruz #19200.

# Welfare Notes November 2016

### Enroll in your medical and dental plan

When you have worked 120 mandays within a 12-month period you are eligible for medical and dental coverage. Please be sure to enroll in a plan as soon as possible. It may take the plan a few days to process your paper work and get the information correctly entered into their system.

Any delay on your part in filling out the paper work could delay your coverage and access to use the plan. Be sure to correctly enter your personal information on the enrollment forms with correct birthdays and social security numbers for dependents.

Any dependents that you are including require a marriage certificate copy for the initial enrollment of a spouse and birth certificate copies for the initial enrollment of any children.

Please be sure to enroll new spouses within the 30 day time frame after the marriage and enroll new born babies within 30 days of their birth. If there will be a delay in obtaining the birth certificate for a new born baby, please enroll the baby and send us the birth certificate and social security number information as soon as possible.

All plan enrollments require the member’s signature except the Dental Health Services of Washington enrollment. Please be sure to sign your forms before sending the forms to us.

Do not delay your dental plan enrollment since most dental plans require you to be enrolled in their plan for at least 6 months to be eligible for major dental work.

### Eligibility and Your Current address

If you are not planning on shipping for an extended period of time check with the SUP Welfare Plan about your eligibility and when you will need to ship again to avoid a lapse in eligibility and coverage. Check with the Plan office whenever you finish a voyage to find out where your eligibility stands. Also keep us advised of address changes.

Michelle Chang, Administrator [mcsupsiupd@sbcglobal.net](mailto:mcsupsiupd@sbcglobal.net)

Patty Martin [martinpatty59@sbcglobal.net](mailto:martinpatty59@sbcglobal.net)

Virginia Briggs Claims [vbriggs80@sbcglobal.net](mailto:vbriggs80@sbcglobal.net)

Michael Jacyna Eligibility [mjacyna67@sbcglobal.net](mailto:mjacyna67@sbcglobal.net)

Training Representative Berit Eriksson 206-551-1870

[berittrainrep@sbcglobal.net](mailto:berittrainrep@sbcglobal.net)

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

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

SIU-PD Pension 415-764-4987 SIU-PD Supplemental Benefits 415-764-4991

Seafarers Medical Center 415-392-3611

## Shipping warned over escalation of attacks in southern Red Sea

Ambrey Risk, a security company, is warning of a step change in violence seen in waters in the southern Red Sea in the past month. With three instances of skiffs approaching three ships in the past month, including one where an RPG was fired at an LNG carrier resulting in damage to the poop deck and citadel, the British firm is warning that pirates in the region are stepping up activities further ashore with a view to boarding larger ships.

“There has been a step change in the use of violence offshore in the region over the past month. Although much of this has been focused in the southern Red Sea, there is reason to believe the Gulf of Aden and Somali Basin will face similar exposure in the near term,” Ambrey Risk said.

There are distinct reasons for the incidents in the southern Red Sea and Somali Basin, Ambrey Risk noted.

First, political maneuvers on the part of the Saudi-led coalition intervention in Yemen has elevated the importance of the strategically sensitive Bab el Mandeb. The government opposition, the Zaydi-Shia al-Houthi backed by Iran, are vying to break a stalemate in the protracted war, which has been felt most acutely in the coastal Taiz and al-Hudaydah provinces. The recent Houthi strike against a UAE-chartered vessel working on behalf of the Saudi coalition garnered an indiscriminate retaliation by the Saudi forces and with it, scrutiny from the international community. It was therefore, a successful play on the part of the Houthi opposition. While a repeat strike against military assets is now less likely following U.S. precision targeting of Houthi installations, proxy sympathizers of the Houthi movement can deliver in kind and embarrass the Saudi coalition, by striking commercial fleets.

In all likelihood, the attack on the LNG tanker was overseen by the Houthi, Ambrey Risk maintained, but perpetrated by those such as the al-Tihamma community, who have their own interest in siding with the opposition; in the past, the al-Tihamma have said they will take their fight offshore in order to press home their demands for greater autonomy. The second approach on the morning of October 25, was in all probability by the same group.

Second, the hijacked Omani-flagged fishing vessel *Naham 3* was recently released for a reported payment of a little under \$58,000 per crewmember, after four and a half years in captivity. (This story is covered in an article on page 6 of this issue.)

“It is likely that the Pirate Action Group responsible remained passive during this time, in order to ensure the negotiations were not derailed. However, the fee secured for the 26 crew members of the *Naham 3* is unlikely to limit their return to organized crime. As there are now no seafarers held hostage as a result of this particular period of Somali piracy, the cupboards are bare and the prospects slim. The recent armed approach at such a significant range from shore is more than likely a bid to identify a valuable asset that can be boarded; the approaching skiff only distanced itself from the general cargo vessel after a series of escalatory measures were carried out by the embarked maritime security team,” the Ambrey Risk concluded.



# ANNUAL FUNDING NOTICE for SIU Pacific District Pension Plan

Introduction

This notice, which federal law requires all pension plans to furnish on an annual basis, includes important information about the funding status of your multiemployer pension plan (the “Plan”). It also includes general information about the benefit payments guaranteed by the Pension Benefit Guaranty Corporation (“PBGC”), a federal insurance agency. All traditional pension plans (called “defined benefit pension plans”) must provide this notice every year regardless of their funding status. This notice does not mean that the Plan is terminating. It is provided for informational purposes and you are not required to respond in any way. This notice is required by federal law. This notice is for the plan year beginning August 1, 2015 and ending July 31, 2016 (the “2015 Plan Year”).

How Well Funded Is Your Plan

The law requires the administrator of the Plan to tell you how well the Plan is funded, using a measure called the “funded percentage.. The Plan divides its assets by its liabilities on the Valuation Date for the plan year to get this percentage. In general, the higher the percentage, the better funded the plan. The Plan’s funded percentage for the Plan Year and each of the two preceding plan years is shown in the chart below. The chart also states the value of the Plan’s assets and liabilities for the same period.

Funded Percentage			
	2015 Plan Year	2014 Plan Year	2013 Plan Year
Valuation Date	August 1, 2015	August 1, 2014	August 1, 2013
Funded Percentage	Over 100%	Over 100%	Over 100%
Value of Assets	\$104,944,388	\$105,886,470	\$106,718,842
Value of Liabilities	\$91,194,455	\$83,624,556	\$90,126,169

Year-End Fair Market Value of Assets

The asset values in the chart above are measured as of the Valuation Date. They also are “actuarial values.. Actuarial values differ from market values in that they do not fluctuate daily based on changes in the stock or other markets. Actuarial values smooth out those fluctuations and can allow for more predictable levels of future contributions. Despite the fluctuations, market values tend to show a clearer picture of a plan’s funded status at a given point in time. The asset values in the chart below are market values and are measured on the last day of the Plan Year. The chart also includes the year-end market value of the Plan’s assets for each of the two preceding plan years. The value of the Plan assets shown as of July 31, 2016 is an estimate based on the most accurate unaudited financial information available at the time this notice was prepared. The final audited information on the Plan’s assets will be reported on the Plan’s 2015 annual report filed with the Department of Labor in May 2017.

	July 31, 2016	July 31, 2015	July 31, 2014
Fair Market Value of Assets	\$101,458,617	\$107,839,193	\$111,642,407

Endangered, Critical, or Critical and Declining Status

Under federal pension law, a plan generally is in “endangered” status if its funded percentage is less than 80 percent. A plan is in “critical” status if the funded percentage is less than 65 percent (other factors may also apply). A plan is in “critical and declining” status if it is in critical status and is projected to become insolvent (run out of money to pay benefits) within 15 years (or within 20 years if a special rule applies). If a pension plan enters endangered status, the trustees of the plan are required to adopt a funding improvement plan. Similarly, if a pension plan enters critical status or critical and declining status, the trustees of the plan are required to adopt a rehabilitation plan. Funding improvement and rehabilitation plans establish steps and benchmarks for pension plans to improve their funding status over a specified period of time. The plan sponsor of a plan in critical and declining status may apply for approval to amend the plan to reduce current and future payment obligations to participants and beneficiaries.

**The Plan was not in endangered, critical, or critical and declining status in the Plan Year.**

Participant Information

The total number of participants and beneficiaries covered by the Plan on the valuation date was 1,913. Of this number, 824 were current employees, 1,077 were retired and receiving benefits, and 12 were retired or no longer working for the employer and have a right to future benefits.

Funding & Investment Policies

Every pension plan must have a procedure to establish a funding policy for plan objectives. A funding policy relates to how much money is needed to pay promised benefits. Plan benefits are funded by employer contributions and investment returns on those contributions. Commencing January 1, 2016, the shipping companies have agreed to make contributions to the Plan, and may agree through collective bargaining in the future to make additional contributions as necessary to satisfy the minimum funding standards of the Employee Retirement Income Security Act of 1974 (“ERISA”) and the Internal Revenue Code (“Code”). The Plan’s funding policy is to continue to fund Plan benefits in this manner in accordance with the minimum funding standards of ERISA and the Code.

Pension plans also have investment policies. These generally are written guidelines or general instructions for making investment management decisions. The investment policy of the Plan is to maintain a portfolio of investments which is conservative in nature. The Trustees, working with experienced investment consultants, monitor and make appropriate changes to the Plan’s investments, seeking to achieve positive investment results over the long term.

Under the Plan’s investment policy, the Plan’s assets were allocated among the following categories of investments, as of the end of the Plan Year. These allocations are percentages of total assets:

Asset Allocations	Percentage
1. Cash (Interest bearing and non-interest bearing)	9.0%
2. U.S. Government securities	17.1%
3. Corporate debt instruments	19.3%
4. Corporate stocks (other than employer securities):	54.6%
5. Other	0.0%

Right to Request a Copy of the Annual Report

Pension plans must file annual reports with the US Department of Labor. The report is called the “Form 5500.. These reports contain financial and other information. You may obtain an electronic copy of your Plan’s annual report by going to [www.efast.dol.gov](http://www.efast.dol.gov) and using the search tool. Annual reports also are available from the US Department of Labor, Employee Benefits Security Administration’s Public Disclosure Room at 200 Constitution Avenue, NW, Room N- 1513, Washington, DC 20210, or by calling 202-693-8673. Or you may obtain a copy of the Plan’s annual report by making a written request to the plan administrator, Ms. Michelle Chang, at 730 Harrison Street, Suite 400, San Francisco, CA 94107. Annual reports for the 2014 Plan Year and earlier Plan Years are available now. The annual report for the 2015 Plan Year will be available when it is filed with the Employee Benefits Security Administration in May 2017. Annual reports do not contain personal information, such as the amount of your accrued benefit. You may contact the plan administrator at 415-764-4993 or the address above if you want information about your accrued benefits.

Summary of Rules Governing Insolvent Plans

Federal law has a number of special rules that apply to financially troubled multi-employer plans that become insolvent, either as ongoing plans or plans terminated by mass withdrawal. The plan administrator is required by law to include a summary of these rules in the annual funding notice. A plan is insolvent for a plan year if its available financial resources are not sufficient to pay benefits when due for that plan year. An insolvent plan must reduce benefit payments to the highest level that can be paid from the plan’s available resources. If such resources are not enough to pay benefits at the level specified by law (see Benefit Payments Guaranteed by the PBGC, below), the plan must apply to the PBGC for financial assistance. The PBGC will loan the plan the amount necessary to pay benefits at the guaranteed level. Reduced benefits may be restored if the plan’s financial condition improves.

A plan that becomes insolvent must provide prompt notice of its status to participants and beneficiaries, contributing employers, labor unions representing participants, and PBGC. In addition, participants and beneficiaries also must receive information regarding whether, and how, their benefits will be reduced or affected, including loss of a lump sum option.

This Plan is **not** insolvent and is over 100% funded.

Benefit Payments Guaranteed by the PBGC

The maximum benefit that the PBGC guarantees is set by law. Only benefits that you have earned a right to receive and that cannot be forfeited (called vested benefits) are guaranteed. There are separate insurance programs with different benefit guarantees and other provisions for single-employer plans and multiemployer plans. Your Plan is covered by PBGC’s multiemployer program. Specifically, the PBGC guarantees a monthly benefit payment equal to 100 percent of the first \$11 of the Plan’s monthly benefit accrual rate, plus 75 percent of the next \$33 of the accrual rate, times each year of credited service. The PBGC’s maximum guarantee, therefore, is \$35.75 per month times a participant’s years of credited service.

*Example 1.* If a participant with 10 years of credited service has an accrued monthly benefit of \$600, the accrual rate for purposes of determining the PBGC guarantee would be determined by dividing the monthly benefit by the participant’s years of service (\$600/10), which equals \$60. The guaranteed amount for a \$60 monthly accrual rate is equal to the sum of \$11 plus \$24.75 (.75 x \$33), or \$35.75. Thus, the participant’s guaranteed monthly benefit is \$357.50 (\$35.75 x 10).

*Example 2.* If the participant in Example 1 has an accrued monthly benefit of \$200, the accrual rate for purposes of determining the guarantee would be \$20 (or \$200/10). The guaranteed amount for a \$20 monthly accrual rate is equal to the sum of \$11 plus \$6.75 (.75 x \$9), or \$17.75. Thus, the participant’s guaranteed monthly benefit would be \$177.50 (\$17.75 x 10).

The PBGC guarantees pension benefits payable at normal retirement age and some early retirement benefits. In addition, the PBGC guarantees qualified preretirement survivor benefits (which are preretirement death benefits payable to the surviving spouse of a participant who dies before starting to receive benefit payments). In calculating a person’s monthly payment, the PBGC will disregard any benefit increases that were made under a plan within 60 months before the earlier of the plan’s termination or insolvency (or benefits that were in effect for less than 60 months at the time of termination or insolvency). Similarly, the PBGC does not guarantee benefits above the normal retirement benefit, disability benefits not in pay status, or non-pension benefits, such as health insurance, life insurance, death benefits, vacation pay, or severance pay.

For additional information about the PBGC and the pension insurance program guarantees, go to the Multiemployer Page on PBGC’s website at [www.pbgc.gov/multi-employer](http://www.pbgc.gov/multi-employer). Please contact your employer or plan administrator for specific information about your pension plan or pension benefit. PBGC does not have that information. See “Where to Get More Information” below.

Where to Get More Information

For more information about this notice, you may contact Ms. Michelle Chang, Administrator, SIU Pacific District Pension Plan, at 730 Harrison Street, Suite 400, San Francisco, CA 94107, 415-764-4993. For identification purposes, the official plan number is 001, the plan sponsor is the Board of Trustees of the SIU Pacific District Pension Plan, and the employer identification number or “EIN” is 94-6061923.



# SUP President's Report

November 14, 2016  
*continued from page 1*

## APL MARINE SERVICES

On Veteran's Day, the Union was notified by APL that the *APL Agate* will be re-flagged foreign on or about December 16, in Chiwan, China. The *Agate* will be replaced in the company's nine vessel, U.S.-flag, Maritime Security Program (MSP) fleet by the 1,600 TEU *APL Saipan*.

This vessel will join the *APL Guam* in the company's Guam-Saipan Express service between Korea, Saipan and Guam some time in mid-December. The manning scale for the SUP in the *Saipan* will be one Bosun and five ABs – as in all other APL MSP vessels. Wages and conditions will also be the same.

All jobs in the *Saipan* will be dispatched from the Honolulu Branch.

As the membership knows, we would be beefing it out with the company over crewing the *APL Saipan* if the SUP, MFOW, MM&P and MEBA had not prevailed in the APL Guam arbitration earlier this year.

## SAN FRANCISCO BAR PILOTS

The Sailors' Union's collective bargaining Agreements with the San Francisco Bar Pilots covering Marine Personnel and Dispatchers expire on December 31. The Pilots were notified in October of the Union's desire to amend both Agreements.

By mutual agreement, negotiations will begin on December 29, at Pier 9.

## CHEVRON SHIPPING COMPANY

The current Agreement between the SUP and Chevron Shipping Company covering all unlicensed personnel in the company's U.S.-flag fleet expires on January 31, 2017.

The Union notified the company this month of our desire to amend the current Agreement. It is anticipated that bargaining will begin at SUP Headquarters in late January.

SUP members employed by Chevron are urged to send written bargaining proposals to Headquarters.

## STCW DEADLINE

The Standards of Training, Certification and Watchkeeping (STCW) 2010 Manila Amendments, steadily under implementation since 2012, will come into full force and effect on January 1, 2017. Members take note that the National Maritime Center (NMC) has advised that credential processing delays are ongoing. In general, if any STCW endorsement is noted in your Merchant Mariners Credential (MMC) as "not valid after December 31, 2016" then you cannot be dispatched to any seagoing job.

More specifically, all seagoing SUP jobs require the Vessel Personnel with Designated Security Duties (VPDSD) endorsement, also shown as VI/6 in your MMC. VPDSD can be obtained by taking a one day Coast Guard approved course and then applying for the endorsement (with certificate of course completion) at a Coast Guard Regional Exam Center (REC) or directly to the NMC.

Furthermore, Basic Training (BT) also shown as VI/I in your MMC, which is the new name for Basic Safety Training, is also a requirement for all seagoing jobs. The BT endorsement can be gained by providing evidence of having completed either a full Basic Training course, Basic Training Revalidation course, or a Basic Training Refresher course. To be eligible for the BT Revalidation course members must demonstrate one year of sea service in the last five years.

Next, Rating Forming Part of a Navigational Watch (RFPNW) also shown as II/4 in your MMC is a requirement for all seagoing Able Seaman jobs and all watchstanding Ordinary Seaman jobs. RFPNW is gained by completing the practical assessments and

demonstration of either sixty (60) or one-hundred and eighty (180) days of qualifying sea service. The sixty day option is available to members who have completed the RFPNW course at Training Resources Ltd and are part of the Andrew Furuseth School of Seamanship's Able Seafarer/Deck program.

The new endorsement of Able Seafarer/Deck, or AS/D also shown as II/5 in your MMC comes into full force and effect on January 1, 2017. AS/D is required for all seagoing Able Seaman jobs and Able Seaman (in the Unlimited, Limited, and Special capacities) will remain as the national endorsement. Mariners currently holding an Able Seaman endorsement, RFPNW (II/4), Proficiency in Survival Craft (PSC – formerly known as lifeboatman) VI/2, VPDSD (VI/6) and BT (VI/I) are eligible for the AS/D (II/5) endorsement before January 1, 2017. Mariners who have served as Able Seaman or RFPNW will qualify for the endorsement if they have one year of qualifying sea service in the last five years and have a valid Basic Training certificate or endorsement. For Ordinary Seaman seeking to gain Able Seafarer/Deck the endorsement requires the satisfaction of the competency assessments and either 12 or 18 months of qualifying seetime which will only accrue after gaining the training, assessments and seetime for RFPNW but not necessarily the RFPNW endorsement itself. (The reduction of seetime from 18 months to 12 months is possible only if a mariner is part of a U.S. Coast Guard approved Able Seafarer/Deck program such as that of the Andrew Furuseth School of Seamanship. Able Seafarer/Deck also requires a certificate or endorsement in PSC and a valid Basic Training. SUP Ordinary Seaman will satisfy these requirements as members of the AFSS Able Seafarer/Deck training program.

Most members have already gained the Able Seafarer/Deck endorsement or will soon on renewal of their credentials under both the transitional eligibility rules described above and the grandfathering rules. The grandfathering rules state that mariners that started training or service before March 24, 2014 will have five years from that date (March 24, 2019) to have the option to comply with the old regulations. This means that for mariners who started before March 24, 2014 and who do not yet have the Able Seafarer/Deck endorsement they will most likely (depending on individual circumstances) get it automatically on renewal even past the January 1, 2017 deadline.

However, members should take note that employers, especially those engaged in government and foreign trades, have already made Able Seafarer/Deck a requirement to avoid problems with Port State Control overseas. The bottom line is that if you intend to go to sea, and in the context of processing delays due to the deadline at the National Maritime Center, you should get the Able Seafarer/Deck endorsement as soon as possible.

If you have any questions, please contact the AFSS Workforce Development Director Berit Eriksson [berittrainrep@sbcglobal.net](mailto:berittrainrep@sbcglobal.net).

## HOLIDAY BENEFIT

For the 27th year, the SUP and MFOW will cosponsor a holiday lunch for participants of the respective Union Welfare Plans and invited guests.

As approved by the Union and employer Trustees of both Plans, the cost of catering the lunch is prorated by the number of participants in each Plan. The following are the dates and times of the benefit:

**Wilmington:** Sunday, December 4, from 11:30 A.M. to 2:30 P.M. at the MM&P/MEBA hall (next door to the Wilmington Branch).

**Honolulu:** Sunday, December 11, from 11:00 A.M. to 2:00 P.M. at O'Tooles, 902 Nuuanu Avenue. (Enter from Merchant Street side entrance).

**San Francisco:** Friday, December 16, from 11:30 A.M. to 2:30 P.M. at MFOW Headquarters.

**Seattle:** Sunday, December 18, from 11:00 A.M. to 2:00 P.M. at the Sons of Norway Hall in the Leif Erikson room in Ballard (2245 57th Street, N.W.)

## HOLIDAYS

### Thanksgiving Day

All SUP halls will be closed on Thursday, November 24, in observance of Thanksgiving.

### Christmas

All SUP halls will be closed on Monday, December 26, in observance of Christmas Day.

### New Year's

All SUP halls will be closed on Monday, January 2, 2017 in observance of New Year's Day.

## ACTION TAKEN

M/S to concur with the President's report. Carried unanimously.

Gunnar Lundeberg

# Researchers stumble upon dozens of ancient shipwrecks

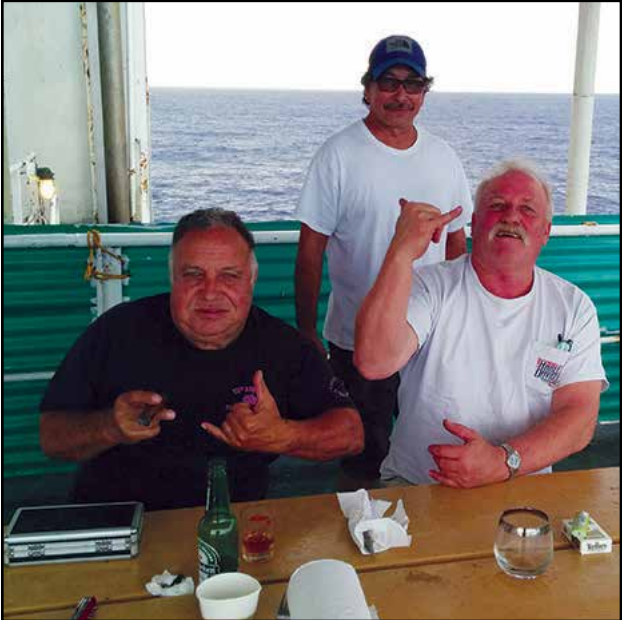
An international team of scientists led by the University of Southampton's Center for Marine Archaeology has inspected over 40 shipwrecks in the Bulgarian sector of the Black Sea, including many new discoveries. Several of them date back to the Ottoman and Byzantine Empires, and the team says that they will be of great value in understanding prehistoric trading patterns, but their discovery was not at all the focus of the expedition. The University's Black Sea Maritime Archaeology Project, or Black Sea MAP, was intended to determine when and how fast water levels rose after the last Ice Age.

"The primary focus of this project . . . is to carry out geophysical surveys to detect former land surfaces buried below the current sea bed, take core samples and characterize and date them," said Professor Jon Adams, Black Sea MAP's principal investigator. "The wrecks are a complete bonus, but a fascinating discovery."

Some of the ships are of a type never before seen in modern times.

Adams adds that the wooden hulls are astonishingly well preserved due to the low oxygen levels at the bottom of the Black Sea.

The survey team chartered the 2010-built multipurpose vessel *Stril Explorer*, which is fitted with Kongsberg echosounders, coring equipment, a drop camera and a suite of support equipment for ROV operations. The team used two ROVs, one equipped for high resolution 3D photogrammetry and video, the other a high speed geophysical survey submersible with high definition cameras and a laser scanner. This second submersible, called *Surveyor Interceptor*, set new records over the course of the project – operating at depths approaching two kilometers, sustained speeds over six knots and a total trackline distance of 1,250 nautical miles.



Barbecue in the Matsonia in October at sea before arriving in Honolulu. From the left: Allen Gonzalez, John Curan, and Mick McHenry. Photo Dave Frizzi.



# A second abduction is reported for German sailing couple

A ship in harbor is safe, but that is not what ships are built for, the old maritime saying goes. A German sailing couple, seized and held for ransom eight years ago by Somali pirates, apparently lived by that rule.

A German yachting website reported on November 7, that the couple appeared to have been abducted again, this time while cruising a dangerous area of the Philippines, by militants of Abu Sayyaf, an insurgent group known for kidnapping and ransoming foreigners. The woman was said to have been killed.

The couple, Jiirgen Kantner, 70, and his partner, Sabine Merz, have been sailing the oceans for many years aboard their 30-footer, the *Rockall*. They were held for 52 days in Somalia in 2008 before their captors freed them, reportedly after a six-figure ransom had been paid.

The Philippine media reported that a German couple had been attacked while sailing in an area of the southern Philippines under the control of Abu Sayyaf. The woman was shot and the man abducted, the reports said.

The *Philippine Daily Inquirer* quoted a spokesman for Abu Sayyaf as saying via telephone that the woman had fired upon them, “Our men shot back and killed her,” he said.

The newspaper said that the spokesman had made a man come to the phone and that he had identified himself as Jiirgen Kanter. The account quoted him as saying: “Pirates took our boat and they took us.”

In Berlin, the Foreign Ministry said that it was working with Philippine authorities to clarify the situation. “As always in such cases, I would like to be very tight-lipped,” said the ministry spokesman, Martin Schafer. He stressed that there was no confirmation of the reported killing or the abduction.

Uwe Janssen, editor in chief of the yachting website, Yacht.de, noted the lack of official confirmation but wrote that a photograph released by the Philippine military authorities “is clear: the attacked vessel indeed belongs to Jurgen Kantner.”

The sailboat in the photo is marked *Rockall*, the same name that was on the vessel captured by the Somalis eight years ago.

Janssen said “everything suggests that the two victims” were Kantner and Merz.

In May 2009, Agence France-Presse reported that Kantner had returned to Somalia after the couple’s abduction and release, and quoted him as vowing to get the *Rockall* seaworthy once more and to set off for Asia.

“Why should I return to Germany, where I have nobody?” he was quoted as saying. “After 32 years on my boat, I have lost all contact with them.” He acknowledged “that it is a little bit like suicide,” and said he prayed he would not get captured a second time.

In a lengthy interview with the German magazine *Yacht* after the 2008 abduction, Kantner and Merz said that they had been captured then while sailing close to the coast of Yemen and that they had no warning of special danger. They dismissed suggestions that they had courted danger, citing cases of vessels robbed in calmer regions such as the Canary Islands or Corsica.

# Taiwan aids its shipping companies to prevent collapse

Taiwan’s government has approved a \$1.9 billion relief package for the country’s lossmaking container shipping companies to prevent a collapse similar to that of Korea’s Hanjin Shipping Company

The package, announced on November 15, involves a credit line with preferential interest rates aimed mainly to help Evergreen Marine Corp. and Yang Ming Marine Transport Corp., two of the world’s biggest container operators.

“The nation relies on shipping firms to transport goods that come in large quantities, which is key to our economic development,” said Wang Kwotsai, Taiwan’s Deputy Minister of Transportation, adding that the fallout from Hanjin’s August bankruptcy stranded \$14 billion worth of goods at sea for months. The Hanlin situation “shows us that the government has to provide support to the industry before the damage becomes uncontrollable,” he said.

Container ships move 98% of the world’s manufactured goods, but the industry is battling its worst down-cycle in 30 years as slowing global trade and a glut of shipping capacity have pushed freight rates to levels that barely cover fuel costs. The downturn also has prompted a rare wave of consolidation, with some of the biggest players merging or forming alliances to maintain financial viability.

Global trade is forecast to grow by just 1.7% this year, marking the slowest pace since the 2008 financial crisis, according the World Trade Organization.

Evergreen and Yang Ming, which move the vast majority of Taiwan’s exports, have posted a combined loss of more than \$580 million in the first three quarters of this year.

“The government wants to provide affordable liquidity to the country’s two biggest carriers so they don’t run out of money if there is a crunch,” said Lars Jensen, Chief Executive of Copenhagen-based Sea Intelligence Consulting.

**Editor’s Note: The U.S. government’s support for the U.S. Merchant Marine and the Maritime Security Program (MSP) is minuscule compared to the \$1.9 billion Taiwan is spending to save its merchant marine. MSP supports 60 ships for a total cost of \$210 million per year.**

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# Vice President’s Report

November 2016

**USNS Waters:** Noel Romero, delegate. Final option year awarded to Patriot, until at least October of 2017. Ship scheduled to make a West Coast trip before the end of the year. Michael Jean taking over as bosun, relieving Edwin Narvasa.

**USNS Pomeroy:** Adam Tassin, delegate. Clarification on stores and steward department issues. Investigation of unsafe enclosed space entry.

**USNS Red Cloud:** Gerry Gianan, bosun. Investigated use of outside maintenance contractors and found no breach of SUP jurisdiction.

**SNLC Pax:** Jordan Polon, delegate. New mattresses delivered. SUP riding gang under the direction of bosun Norm Christianson chipped, prepped and painted entire main deck achieving in a single voyage a shipyard level of refurbishment. Calling at various ports in the Western Pacific.

**Manoa:** Duke Maringer, delegate. Marc Calairo in control as bosun. No beefs.

**Matsonia:** Mick McHenry, delegate. Investigated radioactive cargo from Honolulu to Oakland and found the Company in compliance with the Agreement and industry standards. Will seek further protections.

**APL Singapore:** Dale Gibson, bosun. Clarification on new sanitary language. The new language in Section 17 applies to the one-person watch situation. In a two-person watch, the language of Section 56(c)2 applies.

**APL Thailand:** Dmitri Seleznev, delegate. Clarification on cleaning the longshore head is paid at the low cargo rate on straight time hours as per the last paragraph of Section 17 of the SUP Work Rules.

**APL Agate:** Faith Matas, delegate. Brendan Bohannon took over as bosun in Singapore. Ship to be re-assigned to China India (CIX) service dropping a Chinese port and calling in two new ports near Bombay. After completing the inaugural voyage, this ship will flag out in Chiwan and be replaced by the *APL Saipan* joining the *APL Guam* on the feeder run. Same manning and wages as other MSP ships. Jobs will be called in the port nearest the run: Honolulu. See President’s report.

**APL Coral:** Spencer Thompson, delegate. Ship to remain on ASI shuttle service calling in various ports from Pakistan to China. Watchstanders and daymen are compared separately for the purposes of equalization of overtime in accordance with Section 10 of the Work Rules.

**APL Belgium:** James Salera, delegate. Clarifications on port prep, stores and garbage.

**Mississippi Voyager:** Terry Black, delegate. Calling at Barber’s Point and Kalaeloa Harbor after Singapore shipyard. Business Agent Roy Tufono made the ship at RLW along with the *Florida Voyager*.

**Florida Voyager:** Bill Fisher, delegate. Discussion on upcoming negotiations. Proposals being drafted and many already submitted to the Union for consideration by the Negotiating Committee.

**California Voyager:** Frank Fignar, delegate with Thor Erikson as bosun. On the old *Chevron Arizona* run from Pascagoula to Port Everglades near Ft. Lauderdale. Headed for a yard period soon.

Dave Connolly

# Privatization in Panama Canal compromises safety says ITF

The International Transport Workers’ Federation (ITF) has raised its concerns over the safety of the Panama Canal’s new locks amid what it says is a growing threat of privatization within waterway operations.

The ITF sounded the alarm during a top level meeting Union leaders held in Panama last month. The global Union federation is saying that the Panama Canal Authority (ACP), the government agency responsible for the operation and management of the canal, has ignored warnings about the size of the tugboat fleet necessary to operate the new locks and have now turned to private and anti-Union companies to fill to the void. The ITF says the ACP also tried to outsource other areas such as emergency and ambulance services.

Speaking at the press conference, ITF President Paddy Crumlin, commented: “The truth is that what the (ACP) has done with these private tugboat companies is evidently part of a bigger plan to privatize many of the services offered by the Canal. This privatization has been rightly condemned by our Panamanian member Unions, who are well aware of the accident risks and uncertainty being generated by this among canal workers.”

The ITF also slammed the ACP for ignoring suggestions made in an ITF-commissioned study which raised serious concerns regarding the safety and maneuverability of pilot tugboats when guiding ships through the new locks.

Ivan de la Guardia, ITF coordinator for Panama and general secretary of Panama’s Tugboats Masters and Mates Union, which represents Canal pilots, said: “The crews on these hired tugs do not have the same skill set that canal personnel have acquired through intensive training and years of experience. The PCA wants to eliminate Unions completely. There is no way that the canal can deliver to the clients as advertised and increase their daily transits overall unless the tug fleet increases both in number of units and therefore personnel. To this date there has been no initiative from the ACP to hire tug officers, or buy or lease any new tugs. They are obliged to acquire all these resources or the canal won’t be exploited to full capacity. The answer seems to be none other than outsourcing. It takes at least a year to train and put in place a tug officer in the canal. Tug personnel are being exploited and grossly overworked in order to make ends meet. All these factors point towards a severe breach of the integrity of the operation and a serious downgrade of the safety to navigation through our waterway.”



# SUP Branch Reports

## Seattle

October 17, 2016

Shipped during the period: 4 Boatswain jobs shipped and filled with 1 A-book and three B-books; 5 Able Seaman jobs shipped and filled with 4 B-cards and 1 D registrant; 2 Ordinary Seaman jobs filled with 2 C-members; 1 GDEU and 1 GVA went to Registrants; and 4 standbys to 3 A cards and 1 B member..

Registration: 6 A cards for a total of 11; 14 B cards for a total of 28; 2 C cards for a total of 8.

### Ships checked

Matson vessels *MV Manoa* and *MV Mahimahi* called twice in Seattle with little or no problems. The *USNS Pomoroy*, *USNS Soderman*, *USNS Gilliland*, the *PAX*, the *Cape Vincent* and the *Cape Taylor* all called for SUP crew replacements.

I represented the SUP at the following meetings: the King County Labor Council Executive Board meetings; the SUP joined the King County Building Trades and ILWU Local 19 in a strategic planning session regarding industrial lands use in Seattle. The SUP was a guest of the Port of Seattle at the Washington Conservation Voters breakfast.

There was lively discussion regarding the change of agents in Wilmington. The Seattle membership wishes outgoing Agent Bob Burns good luck and gives incoming Agent Leon Gandy a “Hearty Welcome”. While the membership questioned the compensation for agents as a reason of turnover the conversation quickly turned to adequately funding the Union. It was unanimously agreed that for the Sailors’ Union of the Pacific to better protect the welfare of its members; a dues increase must come about in our next election cycle.

## Dispatcher’s Report

Headquarters—Oct. 2016

Deck	
Bosun.....	3
Carpenter.....	0
MM.....	14
AB .....	7
OS .....	5
Standby .....	12
Total Deck Jobs Shipped .....	41
Total Deck B, C, D Shipped.....	28
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.....	41
Total B, C, D Shipped-All Depts. ....	28
Total Registered “A”.....	19
Total Registered “B” .....	40
Total Registered “C” .....	21
Total Registered “D”.....	33

## SUP members join pension ranks

The following SUP members joined the rank of pensioner, bringing the total number of SUP members to 204:

**Richard Goen**, 60, Book No. 3014, joined SUP in 1976, 26 years seetime.

The SUP co-hosted a fundraiser for Washington State 7th Congressional District Candidate Pramila Jayapal. MFOW member and King County Labor Council Delegate Dave Thompson, along with SUP members Rhonda Benoit and Brian McCarthy participated. Other hosts in this event were the SIU, MEBA, MM&P, and the IBU. Outgoing Congressman Jim McDermott D-7, was one of the strongest defenders of the Jones Act in Congress, having himself sailed in the U.S. Merchant Marine before joining the Navy. We offer him a “Hearty Thank-you” for his years of service and wish him well in his retirement.

Vince O’Halloran  
Branch Agent

## Wilmington

October 17, 2016

All sailors will need to have Able Seafarer/Deck in their Merchant Marine Credential (MMC) by January 2017.

Patriot sailors must have Able Seafarer/Deck prior to shipping.

Shipped the following jobs: Bosun: 3, AB: 4, AB Maint: 4, and standby: 50; for a total of 61 jobs shipped.

Registrations: A:33 B:30 C:12 D:15

### Ships checked

*Manukai*, *APL Thailand*, *Manulani*, *APL Philippines*, *Maunawili*, *APL China*, *Mokihana*, *APL Belgium*.

Leighton Gandy  
Branch Agent

## Honolulu

October 17, 2016

Shipped the following jobs in the month of October: 2 Bosun steady, 2 AB Day steady, 1 AB Day relief, 4 AB Watch steady, 1 AB Watch relief, and 2 OS Watch. The shipping jobs were filled by 2 A cards, 7 B cards, 2 C cards, and 1 D card. Shipped 24 standby jobs. The standby jobs were filled by 4 A cards, 10 B cards, 9 C cards, and 1 D card.

Registered in October: 8 A cards, 9 B cards, 4 C card, 4 D card. To date totaled registered: 11 A cards, 14 B cards, 10 C cards and 11 D cards.

### Ships checked

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

I represented the SUP at the AFL-CIO Executive Board meeting, the Hawai’i Maritime Port Council meeting, and sign waving for numerous candidates.

The holiday luncheon this year will be on December 11, starting at 11:00 A.M. and ending at 2:00 P.M. in the Celtic room at O’Tooles bar. I hope to see everyone there.

I want to wish everyone a Happy Thanksgiving and Merry Christmas.

Mahalo,

Michael Dirksen  
Branch Agent

## Business Agent’s Report

November 14, 2016

**Manoa:** In and out Oakland with no beefs. Marc Calairo, Bosun, Duke Maringer, Delegate.

**Mahimahi:** Sailed for Honolulu on the steady northwest run.

**Matsonia:** The schedule has her skipping Oakland for the next 60 days, she’ll run out of Los Angeles. Clarification on carrying radioactive waste. Rolando Mendoza Bosun, Mick McHenry as Delegate.

**Kauai:** In and out of Oakland with little or no beefs. In good hands with Robert Reed as Bosun, Izzy Idris as Delegate.

**Maui:** Called the crew for the *Maui* on the 9th turn to on the 14th. Standbys on board to help with the COI and dropping the lifeboats, etc. It’s no easy task to bring these ship back to SUP style. Bosun Robin Colonas will get this ship into shape. Dave Frizzi as Delegate.

**Oregon Voyager, Florida Voyager, California Voyager:** all with little or no beefs.

**Mississippi Voyager:** Inbound from the shipyard due back on the West oast in middle of November.

**APL Belgium:** In at Oakland #56. Ship in good hands with Bosun Nick Hoogendam. The ship will be going into the shipyard in Singapore for 42 days. Always a ton of work to prepare for the yard. On board our SUP ships, the first language we speak is ENGLISH !! Dennis Sumague as Delegate.

**APL China, APL Singapore, APL Philippines, APL Thailand:** All checked in with little or no beefs

**Cape Orlando:** Running steady with Noel Itsumura as Serang.

**Cape Henry:** On a regular routine with no beefs. Gabriel Sapin, Bosun.

**Admiral Callaghan:** Called a gang for an activation on her three to four days sea trials. Phil Coulter, Bosun.

**Cape Hudson:** Familiarize the crew with Operating procedures when working the crane with Bosun Mike Worth.

**Cape Horn:** Running smooth with Joel Schor as Bosun.

**Pier#9:** Change day Pilot Boat *California* headed to station. Leo Moore Bosun, Mike Koller Delegate.

Be sure your dues and documents are current.

Roy Tufono

“Today in America, Unions have a secure place in our industrial life. Only a handful of reactionaries harbor the ugly thought of breaking Unions and depriving working men and women of the right to join the Union of their choice. I have no use for those –regardless of their political party– who hold some vain and foolish dream of spinning the clock back to the days when organized labor was huddled, almost, as a helpless mass.”

President Dwight D. Eisenhower



SUP Maui standby gang this month in Oakland, from left to right: Robert Jenkins, Rolando Gumanas, Gregory Copeland, Bosun John Linderman, Gabriel Moreno, Jr., Robert Richard and Travis Johnson. Photo: Roy Tufono.