



West Coast Sailors

Official Organ of the Sailors' Union of the Pacific

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SAN FRANCISCO, CALIFORNIA

Tuesday, November 17, 2020

Virus Second Wave Breaks As New Case Rates Soar

Fears of “second wave” of COVID infections have materialized. New cases were reported in a dramatic surge higher. For the last 15 days, more than 100,000 new cases a day are added to tally. Soon the intensification of the spread in the U.S. will become manifest in the first day of more than 200,000 reported cases. Most experts believe the actual number is much higher.

States issued new travel warnings as the holiday season approaches and cities such as San Francisco began new lockdowns. Los Angeles County reported 3,780 new cases of COVID-19 and 20 additional deaths in a single day, Saturday November 14. Other cities and states across the country have taken similar measures. Chicago, for example has a 30 day stay at home order in place.

The 3,780 cases in Los Angeles are the highest amount of positive cases in one day since the start of the pandemic. The county's totals now stand at 336,549 cases and 7,266 fatalities, according to the Los Angeles County Department of Public Health.

The department said the elevated number of cases reflects increased testing across the county, with more than 56,000

tests processed on Friday. The positivity rate remains high at almost 6%. California as a whole had dropped below the national average at 3.1% until recently.

There is hope that this is the last peak as new therapies and prevention measures take root.

Five states — Maine, Minnesota, Indiana, Nebraska and Colorado — set single-day case records in the second week of November. Cases were also mounting in the Mountain West and even in the Northeast, which over the summer seemed to be getting the virus under control.

North and South Dakota and Wisconsin have led the country for weeks in the number of new cases relative to their population. But other states have seen steep recent increases in the last 14 days.

Deaths related to the coronavirus, which lag behind case reports, have increased 21 percent across the country in the last two weeks.

Hospitals in some areas are feeling the strain of surging case loads. More than 50,000 people are currently hospitalized with Covid-19 across the country, according to the Covid Tracking Project, an increase of roughly 64 percent since the beginning of October.

Dr. Anthony S. Fauci, the country's top infectious disease expert, predicted in June, when new cases were averaging roughly 42,000 a day, that the rate would eventually reach 100,000 a day if the pandemic were not brought under control. His blunt assessments of the country's failure to control the virus drew attacks from Trump administration officials, including the president, who called him alarmist.

“We're in for a whole lot of hurt,” he said.

Dr. Fauci said that the country “could not possibly be positioned more poorly” as winter approaches and colder temperatures lead people to gather indoors.

Dr. Bill Hanage, an associate professor of epidemiology at Harvard's T.H. Chan School of

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Biden Wins Presidential Election; Unions Play Key Role in Turnout

A strange and momentous Presidential election came to a close if not conclusion, amid the boiling pandemic pressure and a grave trifecta of health, economic and political risk. Joe Biden and Kamala Harris were declared the winners by major media. Emerging victorious at the top of the ticket was neither simple nor straightforward. The final vote tallies were delayed by the vast numbers of mailed ballots, as well as other reasons, such as when the incumbent

President Donald J. Trump intervened via Twitter to demand that battleground states “stop the count,” call the election rigged, and the media waited four days or more to call the key states. There were some protests but little violence and predictions of widespread civil unrest did not come to pass as a charged up American electorate turned out to vote in record numbers. More than two weeks after Election Day, Trump, had not yet conceded, continued to allege voter

fraud, and Republicans were mostly silent. Dozens of lawsuits were filed and most dismissed but recounts in some states are certain.

Georgia went for Biden, and it was a surprise to see the state of Arizona, once a reliable Republican and anti-Jones Act stronghold, swing in favor of Biden and Harris, as well as for Mark Kelly in John McCain's Senate seat. Kelly is a former astronaut, Navy captain, and graduate of the U.S.

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California Crash: Voters Favor Corporate Campaign to Misclassify Workers

With the passage of Proposition 22, drivers and other workers for so-called gig economy companies in California will not become their employees.

California voters carried Uber and Lyft to victory, voting in favor of the ballot measure that allows gig economy companies to continue treating drivers as independent contractors. Uber, Lyft and the delivery service DoorDash designed the measure to exempt the companies from a state labor law that would have forced them to employ drivers

and pay for health care, unemployment insurance and other benefits.

Prop. 22 carried roughly 58 percent of the vote. Prop. 22 faced the strongest opposition in San Francisco, where Uber and Lyft have their headquarters, with more than a 19-point deficit. After losing at the state Legislature and in court, Uber and Lyft prevailed at the ballot box.

The vote resolves the fiercest regulatory battle that Uber and Lyft have faced and opens a path for national labor law changes.

The fight pit labor unions and other groups as well as state lawmakers against ride-hailing and delivery start-ups that spent more than \$200 million in support of the measure.

In voting to support Uber and Lyft, Californians rejected the principles outlined in a 2018 State Supreme Court ruling and enshrined in a 2019 state law that said workers who performed tasks within a company's regular business — and were controlled by the company and did not op-

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Biden Administration May Benefit Jones Act

The Navy League recently theorized that President-elect Joseph R. Biden's twin goals of rebuilding America's infrastructure, while protecting the environment, could bolster support for maintaining the 100-year-old law that protects the U.S. maritime industry, citing a Washington think tank.

The Biden campaign “had expressed interest in new infrastructure, in new green initiatives, and the maritime industry is actually a pretty good confluence of the two,” Tim Walton, a fellow at the Hudson Institute's Center for Defense Concepts and Technology, told a Navy League webinar marking the 100th anniversary of the

Jones Act.

Also known as the Merchant Marine Act of 1920, the Jones Act bars foreign-built, foreign-owned or foreign-flagged vessels from conducting coastal and inland waterway trade within the United States and between the United States and its non-contiguous states and territories such as Alaska and Puerto Rico.

The long-standing legislation could figure in plans “where we're talking about building maritime infrastructure, building low carbon emitting transportation mechanisms, green industries that support our economy in the oceans as we build a blue economy,” Wal-

ton added. A “Blue Economy,” according to the World Bank, is the idea that improved livelihoods and jobs can be built on sustainable use of ocean resources for economic growth.

Without the Jones Act, U.S. Navy and Coast Guard officials have argued there would be no pool of U.S. noncombat ships — or trained American seafarers to crew them — in a war or other national emergency. During a virtual conference, former Coast Guard Commandant Adm. Paul Zukunft (retired) called for “a coherent maritime national strategy that connects with a national security strategy. That's where the Jones Act

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SUP Honor Roll

Voluntary contributions from the membership to the following funds:

Dues-Paying Pensioners

- Diane Ferrari.....BK#2251
- Hannu KurppaBK#3162
- Gunnar Lundeberg.....BK#4090
- Duane NashBK#2437
- Vince O'Halloran.....BK#2463
- John Perez.....BK#3810
- Alex RomoBK#3093
- James Savage.....BK#7488
- David Shands.....BK#7483
- Arthur Thanash.....BK#3249
- Mark HurleyBK#5870
- Walter Price.....BK#3870
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- Knut Rasmussen.....BK#3175
- Donald Cushing... ..BK#4777
- Alexander Earle... ..BK#1885

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- Lee W. Cherry.....\$20
- Jesus Hermosillo.....\$40
- Zaldy Mateo.....\$10

Political Fund

- Steve Fuentes\$50
- Archie Bickford\$100
- Matt Henning\$40
- Mike Dirksen.....\$50
- Rueben Guerra\$25
- Rodolfo Bautista.....\$50
- Dave Connolly.....\$200
- Danilo Perez.....\$27
- Zaldy Mateo.....\$10
- Mark Acord\$100
- Duke Maringer.....\$50

Organization/General Fund

- Scott Weideman\$10
- Rodolfo Bautista.....\$50
- Jesus Hermosillo.....\$100
- Zaldy Mateo.....\$10
- Gunnar Lundeberg.....\$50

Membership and Ratings Committee

The Committee met on November 5, 2020 and found the following members eligible for advancement in seniority and rating stamps in the various departments.

Name and Membership	Number	Seatime	Rating	Seniority
Enriqueto S. Nera, Jr.	Bk#2477	6 yrs.	A.B.	A
Dennis Barrios	B-19667	1 yr.	O.S.	B
Geremie Dean	B-19668	1 yr.	O.S.	B
Anthony Orias	B-19669	1 yr.	A.B.	B
Drulyn Tuiasosopo	B-19670	1 yr.	A.B.	B
Ian Serra	B-19671	1 yr.	A.B.	B
Ian Curry	B-19672	1 yr.	A.B.	B
Riley Brady	C-2841	30 Days	A.B.	C
Jason D. Cater	C-2842	30 Days	O.S.	C
Marcos Celedon	C-2843	30 Days	A.B.	C
Joshua Cisneros	C-2844	30 Days	A.B.	C
Dave Hampton	C-2845	30 Days	A.B.	C
Giorgio Pompei	C-2846	30 Days	O.S.	C
Joshua Pitcher	C-2847	30 Days	O.S.	C
Ali Ghaleb	C-2848	30 Days	A.B.	C
Reggie Glover	C-2849	30 Days	O.S.	C

Ratings: Bosun Stamp
None

Membership and Ratings Committee: Dmitri Seleznev Bk#7511, Rob Leeper Bk#4127, Matt Blom Permit B-19416

Final Departures

Kenneth Moore, Book #5961. Born in California in 1927. Joined SUP in 1945. Died in Fresno, California, November 2, 2020. (Pensioner)



SUP Meetings

These are the dates for the regularly scheduled 2020 SUP meetings:

	Hdqtrs.	Branch
December	14	21

Shipowners Use Premium Services to Fight Container Commoditization

Due to the COVID impact on shipping, there are signs of container market changes that may be long lasting. High container freight rates, reduced capacity, equipment shortages, and demand for faster and more reliable deliveries, perhaps due to the meteoric rise of e-commerce, are some aspects of the new COVID-driven market.

In the past, commodity pricing enabled the lowest cost provider and that has been the problem for the container industry for at least a decade since the Global Financial Crisis. There was little in the way of service differentiation, and so the idea of value creation didn't work. *Daily Maersk* was one such example, designed to provide a continuous feed of daily sailings from China to the U.S. West Coast market on ultra-large container ships. But *Daily Maersk* was discontinued in 2015, and Maersk even laid up some of its massive Triple E fleet.

The Ocean 53 product that APL debuted in 2007, is another example. It provided Asia into interior North America access to a container with 60 percent greater carrying capacity than a standard 40-foot box, reduced handling costs, and faster transit times. Apparel shippers were especially keen on the idea, but there was not enough demand for APL to command a premium price. In other words, efforts by carriers to introduce, and be paid for, value-added services in prior years would typically disappear in the dual undertow of overcapacity and the absence of rate discipline.

But now premium services have begun to reappear and, unlike in the prior era, are slowly becoming entrenched in the supply chain. Matson on Oct. 14 confirmed it would continue its expedited

trans-Pacific service. CMA CGM in 2018 and Zim Integrated Shipping Services this year joined Matson in offering expedited trans-Pacific services.

The CMA CGM EEX service has a transit time to Southern California of 11 days from Shanghai and 12 days from Ningbo, two days faster than typical trans-Pacific transit times. CMA CGM is offering further enhancements in the form of guaranteed loading, priority offloading and handoff to trucks, and rapid transfers to rail. As these services gain traction, it will be something different: carriers securing differentiated pricing based on differentiated service. If successful, that could change the industry. At least, as a trend, it is likely to continue for the COVID-era.

Welfare Notes November 2020

The New Normal during the Covid 19 Pandemic

Active Participants Enrolled for Health Net Coverage

Members are still able to obtain care from their Primary Care doctors. Although some are doing virtual appointments, it is still covered under the plan.

If a member is seen in the office or virtually for non-COVID related services, their standard office visit copay is applied.

Doctors' offices are able to send lab orders electronically or mail the patient lab orders. There is no change or interruption to filling prescriptions.

If a Health Net member is having any concerns or issues, they are encouraged to call customer service at 1-800-522-0088.

Active Participants Enrolled for Kaiser Coverage

Please contact your Kaiser doctors by phone or e-mail for any concerns you may have or to make appointments for visits or virtual visits.

Most prescriptions may be filled by mail. If you need to have a lab test, it is suggested you make an appointment for your lab work.

Refer to your Kaiser ID card for the appropriate phone numbers.

Pensioner Reimbursements

Pensioners now have a longer time limit to file claims for reimbursement. Please be sure to submit your claims periodically so you do not have to wait too long for reimbursement and the SUP Welfare Plan office can process your claims more efficiently. Michelle Chang, Administrator mcsupsiup@sbcglobal.net

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

Michael Jacyna, Eligibility mjacyna67@sbcglobal.net

Gina Jew, Claims gina@marinerbenefits.org

Training Representative Berit Eriksson 206-551-1870 berittrainrep@sbcglobal.net

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

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

SIU-PD Pension 415-764-4987

SIU-PD Supplemental Benefits 415-764-4991

Seafarers Medical Center 415-392-3611

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Dave Connolly,
President/Secretary-Treasurer

Editor
BRANCH OFFICES
Seattle, WA 98199
4005 20th Ave. W. Ste.115 (206) 467-7944
FAX: (206) 467-8119
Wilmington, CA 90744

533 N. Marine Ave. (310) 835-6617
FAX: (310) 835-9367
Honolulu, HI 96813
707 Alakea St., Rm. 101 (808) 533-2777
FAX: (808) 533-2778

WELFARE OFFICE
(415) 778-5490
PENSION PLAN OFFICE
(415) 764-4987



COVID Surge Brings East and West Coast Travel Restrictions

West Coast state governments including California, Washington and Oregon have issued new travel advisories urging travelers to their states to observe a 14-day self-quarantine upon arrival. The quarantine applies to both residents and non-residents of the states.

The advisory states that travelers should limit their interactions to just those within their immediate household. The recommendation does not apply to those engaging in essential travel, such as those traveling for work, critical infrastructure support or for immediate medical care. The advisory is a recommendation and not mandatory and differs from the approach taken by the state of New York, which has issued a mandatory two-week quarantine period for all non-essential travelers from all non-bordering states.

In a statement from Oregon Governor Kate Brown's office, it says the advisories are encouraging "against non-essential out-of-state travel, ask people to self-quarantine for 14 days after arriving from another state or country, and encourage residents to stay local."

Essential travel is defined as "travel for work and study, critical infrastructure support, economic services and supply chains, health, immediate medical care, and safety and security" in the statement.

The announcement comes one day after Oregon reported its highest daily count of new cases, Washington Gov. Jay Inslee appealed to Washingtonians to forgo traditional holiday plans and California surpassed 1 million COVID-19 cases.

"COVID-19 does not stop at state lines. As hospitals across the West are stretched to capacity, we must take steps to ensure travelers are not bringing this disease home with them," said Brown in the Friday statement. "If you do not need to travel, you shouldn't. This will be hard, especially with Thanksgiving around the corner. But the best way to keep your family safe is to stay close to home."

Hawaii could be hit hard by the restrictions. California is Hawaii's largest single state contributor to visitor arrivals. In 2019, California supplied 2.6 million of Hawaii's 10.4 million visitors. Some 628,836 visitors came to Hawaii from Washington in 2019, and 281,280 came from Oregon.

U.S. West arrivals to Hawaii have been dramatically smaller since COVID-19. However, Hawaii's pre-arrival testing program, which kicked off Oct. 15 and paved a way to begin recovering trans-Pacific tourism, has mostly revolved around visitors from the U.S. West.

Most of the state's trusted travel partners are from the U.S. West region, especially California. Travelers from other regions can still get tested; although, it's much more difficult and far less convenient even with the recent addition of more trusted testing partners.

Hawaii's tourism restart has focused on the U.S. West because a high percentage of Hawaii's repeat visitor market comes from there. Also, flights from the U.S. West Coast are shorter at a time when long-haul travel is giving some travelers pause.

Grand Jury Indicts Certificate Counterfeiters

An ambitious scheme to allegedly sell fake merchant mariner training certificates resulted in charges in Norfolk. According to the US Attorney's Office for the Eastern District of Virginia, a grand jury indictment alleges that the plot brought in more than \$200,000 in profits from the production and sale of the counterfeit certificates to over 150 mariners.

Beginning in July 2016 and continuing through 2019, the four people charged allegedly created "counterfeit course certificates from the Mid-Atlantic Maritime Academy (MAMA) and [sold] them directly to individual mariners seeking various merchant mariner seafarer qualifications." The certificates were used with the Coast Guard as proof of completion of required training.

According to the indictment, Lamont Godfrey was the chief administrator at the Mid-Atlantic Maritime Academy and used the position to create fake MAMA course certificates for mariners who had never taken the MAMA courses, in exchange for payments. Payment amounts depended on the type and number of course certificates. The mariners would receive the fake certificates along with instructions on how to load them in the US Coast Guard systems and be credited with a fraudulent Coast Guard qualification.

Eugene Johnson, of Norfolk, Shun-nique Willis, of Texas, and Alonzo Williams, of Louisiana, were also indicted working in conjunction with Godfrey

as brokers selling and promoting the scheme. Each of the three allegedly worked to find mariners willing to buy the fake certificates. In exchange for their efforts, Johnson, Willis, and Williams all received a portion of the profits from the scheme.

The Mid-Atlantic Maritime Academy, which was not included in the charges, said it was a victim in the scheme and has fired Godfrey. The school acquired the assets of the Tidewater School of Navigation in 2007 and now offers more than 100 courses, many USCG approved.

"We were absolutely shocked by the revelation that we are the victims of a criminal act from an employee who had stolen from us for their own financial gain," the Mid-Atlantic Maritime Academy said in a written statement. "The fraud perpetrated and circulating these certificates is incredibly troubling. The mariners who purchased these fake certificates from Mr. Godfrey and others did not go through the state of art training that Mid-Atlantic is known for delivering. Mid-Atlantic Maritime Academy is a victim of Mr. Godfrey and his co-defendants' actions."

Godfrey, Johnson, Willis, and Williams were charged with 20 counts of conspiracy, mail fraud, wire fraud, and aggravated identity theft. The individuals were arraigned on the charges and Godfrey is reported free on bail pending his next hearing in early November. If convicted, they face a mandatory minimum of two years in prison.

Container Shortage Destablizes Import/Export Trade Balance

Imports have surged into the U.S. as a result of trends associated with coronavirus. E-commerce pre-holiday ordering, high-value electronics, PPE and work-from-home equipment has produce record numbers is all leading to an acute shortage of shipping capacity for U.S. exporters. Agricultural producers in particular are now struggling to find the containers they need to send their products to overseas buyers.

Container shipping companies seeking to keep pace with the strong demand for goods from China are rushing to unpack and return to Asia the containers, industry officials say. That leaves fewer boxes available for American exporters to stuff with soybeans, lumber, cotton and other products.

"Right now we are grappling with a true emergency—carriers refusing bookings for trans-Pacific agricultural exports and canceling those already booked," said Peter Friedmann, executive director at the Agriculture Transportation Coalition, a trade body representing U.S. farmers. "We are getting locked out of foreign markets."

The shortage is in part the result of the steep imbalance in the value of the goods moving across the Pacific. U.S. imports from China, for instance, include big volumes of electronics, apparel, toys and other manufactured goods. U.S. exports lean heavily toward bulky agricultural goods, along with food and beverages, which have a lower market value.

Container shortages aren't uncommon during the busy summer months, but it is more intense this year and has spread to ports around the world as demand swung sharply from record lows to record highs within a few months.

The high demand in the U.S. for imports has pushed container freight rates from China to the U.S. West Coast seaports beyond \$4,000 per container while average prices to ship goods by container from Los Angeles to Shanghai in recent

weeks was \$518.

For carriers, that means it makes more financial sense to hustle boxes back to Asia rather than wait for them to travel inland for several weeks to reach exporters and then return to the coastal gateways. "Demand is driven by U.S. consumers who are ordering goods like sports equipment, entertainment devices and furniture," said Nils Haupt, spokesman for German container line Hapag-Lloyd AG. "Ships from China to the U.S. are full and there is high demand for empty boxes in China. We expect that to continue into the first quarter."

The U.S. import surge took off in mid-summer after global trade nosedived from extended city closures because of the Covid-19 pandemic. Big U.S. retailers rushed to replenish inventories that were depleted earlier in the pandemic and started pulling in more goods from Asia to stock shelves and e-commerce warehouses as consumer sales rebounded.

The National Retail Federation said major U.S. ports imported 2.11 million containers in September, 12.5% more than the year before and the highest monthly total in records going back to 2002.

"We are seeing more imports than ever for the replenishment of inventories and they can't be processed fast enough," said Gene Seroka, the executive director of the Port of Los Angeles. "We have containers stacked six-units high and the dwell time at the terminal has almost doubled to more than four days. It's a one-way traffic and empty boxes are the very last to be processed."

The neighboring Port of Long Beach handled 88,903 more empty outbound containers in October than loaded container exports. Mr. Seroka said the Covid-19 pandemic is exacerbating the situation because fewer people are working at warehouses and terminals because of social-distancing guidelines.



AB Isiah Montoya works aloft greasing crane block sheaves aboard USNS WATKINS. On deck AB Abdul Mohamed assists handling the grease line and serving as spotter on November 16, 2020 in Korea.

San Francisco Vacancy Rates Skyrocket: Rates Fall

There is now 11.8 million square feet of vacant office space spread across San Francisco for a citywide vacancy rate of 14.1 percent. That's an increase of vacancies from the end of the second quarter of 9.8 percent, and represents 4.5 million square feet of vacant space, at the same time last year.

At the same time, new leasing activity over the past two quarters hit at a 30-year low, with only 385,000 square feet of leasing activity in the third quarter, versus a post Dot Com-era nadir of 933,000 square feet in the second quarter of 2001. It will

likely get worse: there is roughly 3.1 million square feet of office space now under construction, including the million sq. ft Oceanwide tower rising at 50 First St.

Landlords tried to hold firm but asking rents for office space dropped at least 6 percent in the third quarter alone to \$78.45 per square foot (for Class A office space per year). Less dramatic than expected, but experts still predict an overall office rent fall of at least 20% this year. The Sailors' Union of the Pacific owns and leases office space at its Headquarters Building in the city's Rincon Hill



neighborhood and has seen its share of vacancies as well.

On a residential level rents have already fallen that far, and if the trend continues New York City may once again overtake San Francisco as the most expensive American city in which to rent an apartment. The median rate for a 1 bedroom in SF is down 21% so far this year to \$2,767 per month according to Zumper.com.

The COVID driven trend to work from home is a big part of the vacancy rate with companies such as Twitter, Inc, formerly based in San Francisco, along with much of the technology industry committing to a decentralized employment model.

Together with the departure of corporate headquarters such as the famed SF engineering firm Bechtel's move to Reston VA, the net result is empty commercial office space and lower rents.

Whether a slump or a bust, some are unconcerned. Brandon Shorenstein, chief executive of a firm that owns about 4 million square feet of San Francisco office space, points out that the city has suffered busts in the past.

"San Francisco has always been up and down," he said. "Even if rents do go down, they'll be back."

Office Market Vacancy Rate and Average Asking Rent in San Francisco
Source: Cushman & Wakefield via SocketSite.com



Maritime Coalition Fights for Port of Oakland to Remain a Port

The East Oakland Stadium Alliance, a coalition that includes the SUP, MFOW, MEBA, MM&P, ILWU, IBU and many others, are ramping up efforts to mobilize opposition to an ill-conceived plan for a new Bay-area baseball stadium on the industrial working waterfront. Oakland area businesses and transport unions have been opposing the city's push to relocate the Oakland A's to a new 35,000 seat waterfront ballpark along with a hotel and housing developments.

The East Oakland Stadium Alliance has pointed out that the proposed project at the Charles Howard Terminal, an already overworked traffic area, would interfere with ongoing port and vessel operations. They called it a threat to public safety that would present transportation conflicts.

The Alliance has asked planners to focus on building a new park at the current Coliseum site in East Oakland where the necessary transportation logistics exist and that the proposed site lacks.

The Alliance said, "The maritime, trucking and rail industries are dependent on the Port, which cannot be replicated elsewhere once displaced. The damage of the proposed A's project to port operations would be irreversible, and good-paying maritime jobs that have supported thousands of Oakland families and communities for generations would be lost for good." Progress on the proposal slowed during the pandemic, but now the A's are again promoting their development plans.



On the Embarcadero in San Francisco in 2006, Sam Scott, Dale Gibson and then SUP President Gunnar Lundberg listened to SUP Dispatcher Knud B. "Andy" Andersen tell sea stories on the picket line. The picket was part of a large protest and to support the ferry workers of the Inlandboatmen's Union and to denounce the government supported Union-busting Hornblower Inc. which had been awarded the Alcatraz concession by the National Park Service.

Russian Spies Charged In Maritime Cyber-Attacks

Maersk Systems, part of the shipping giant A.P. Moller-Maersk, was hit by malware designed by Russian hackers. Six computer hackers, that are part of the Russian Main Intelligence Directorate (GRU) have been charged by the U.S. Justice Department for a series of cyber-attacks including one that infected Maersk.

In late June 2017, A.P. Moller-Maersk was hit by the malware "NotPetya" where system shutdowns resulted in significant business impact especially within the container business. The cyber-attack crippled systems relied upon at 76 worldwide ports run by Maersk-owned APM Terminals leading to mass logistical problems and resulting in terminal closures, disruptions and ship diversions. Additional systems were shut down in an attempt to contain the attack. The virus spread to over 60 countries after initial infection in Ukraine.

A federal grand jury in Pittsburgh returned an indictment against the six men in mid-October. It alleges that their computer attacks used some of the world's

most destructive malware to date, including: KillDisk and Industroyer, which each caused blackouts in Ukraine. NotPetya, which caused nearly \$1 billion in losses to a number of entities, and Olympic Destroyer, which disrupted thousands of computers used to support the 2018 PyeongChang Winter Olympics were also cited.

The indictment charges the defendants with conspiracy, computer hacking, wire fraud, aggravated identity theft, and false registration of a domain name. Maersk believes the 2017 cyber-attack affected their revenue by as much as \$300 million. Several other container lines have been victims of cyber-attacks since then including COSCO Shipping Lines, Mediterranean Shipping Company (MSC) and most recently CMA CGM.

Matson Navigation also recently sustained a cyber-attack and its internal computer system was potentially compromised. See President's Report on page 10 for more.

Ferocious Second Virus Wave Hits U.S.; Daily Positive Test Reach Nearly 200k per day

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Public Health, said this week that while the surges in the spring and summer were concentrated in specific regions — the Northeast in the spring and the Sun Belt in the summer — the current surge comes from transmission increases in nearly all parts of the country. That makes it a wave not a surge.

Dr. Hanage called November 11 milestone of 100,000 cases "the completely foreseeable consequence of not taking pandemic management seriously." And he said the country would see "hospitalizations and deaths increase in due course."

"This is desperately concerning," Dr.

Hanage said, "because uncontrolled transmission will end up compromising health care, and in order to preserve it, we will almost certainly end up needing to take stronger action to prevent the worst outcomes."

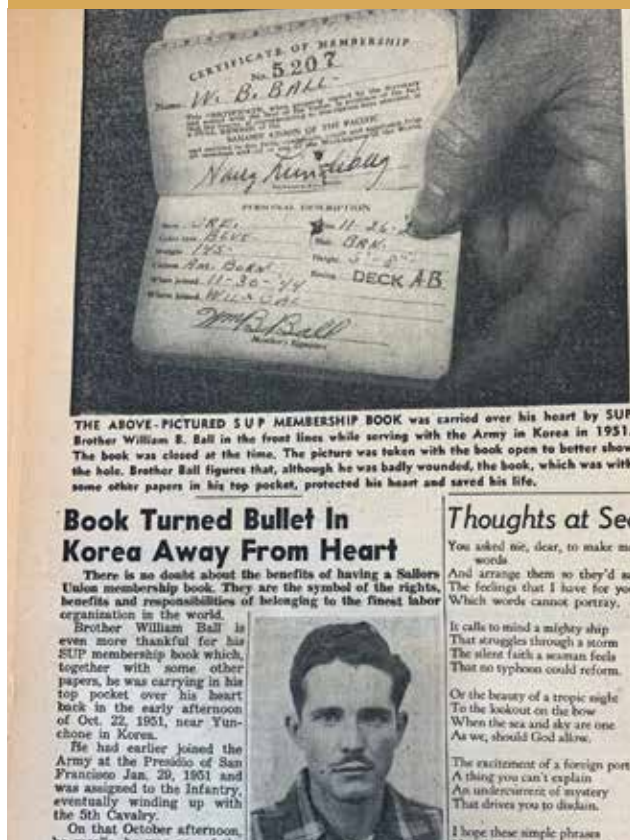
"The whole country is on fire," said Ellie Murray, assistant professor of epidemiology at the Boston University School of Public Health. "Since people can be infectious before they have symptoms, a lot of people right now are infectious and transmitting to people and don't know it. We're trying to get a grip on this large explosion."



HEROES OF THE AMERICAN MERCHANT MARINE

SUP VETERANS DAY November 11, 2020

Merchant mariners are also veterans, but some served in infantry battle as well. This year the SUP honors two of its own who became combat heroes in the forgotten Korean War. William Ball was hit by enemy fire in the chest and was knocked down and injured but survived in part because the bullet struck his SUP membership book. Just as remarkably, Don Kenna in 1952 was only 23 when he led a group of Korean medics to rescue wounded soldiers pinned down under heavy fire. Against all odds he succeeded and was awarded the Silver Star for his bravery.



SUPer Wins Third Highest Combat Award in Korea

The Silver Star, the nation's third highest combat award, has been awarded Donald F. Kenna, 23 for gallantry in action with the Army in Korea. Brother Kenna, a permit man, who was taken into the Army a year ago, distinguished himself while serving with Company C of the 15th Infantry Regiment near Kalmadong. Pfc. Kenna's citation states that on Sept. 29, Company C was engaged with a large enemy force for control of two hill positions. A soldier from a nearby company reported that two wounded men were lying in a draw being swept by enemy fire. Kenna volunteered to lead a rescue party of eight Korean workers to evacuate the men. He led the party through intense fire and succeeded in getting the injured soldiers to safety.



DON F. KENNA Gets Silver Star
voluntary gallantry and resolute leadership were primary factors in successfully accomplishing this dangerous task, and reflect the highest credit upon himself and the military service." Brother Kenna is the son of Mr. and Mrs. W. F. Kenna

Jr., is a pit crew fireman's brother to go into service. Brother Kenna's son has a copy of the SUP magazine, and the buddies, for read it. Checks are following from Wilmington, Ca Robert Am Harold C. B Boutlier, R. erick Brown, for R. Calde tige, John Cl William J Erickson, V. ler, Leonard Hennek, Joe Hagan, Charl B. Kassab, J. Krigbaum, M. Isadore Kry gren, Grego Maffioli, Wa Sven A. Nil

Merchant Mariners Are Veterans Too

By Salvatore R. Mercogliano, Ph.D.

On Veteran's Day we remember the thousands of Soldiers, Sailors, Marines, Airmen, and Coast Guardsmen who gave their lives in defense of the United States of America. We should also remember the thousands of merchant mariner veterans who sail under the flag of the United States and expose themselves to risk and dangers on the high seas in times of war. In the American Revolution, it was merchant mariners arming their vessels and going to sea as licensed privateers, that interdicted the trade routes of the British Army and helped achieved success in our struggle for independence. It was Algerian pirates, seizing and capturing eleven merchant ships, that precipitated the creation of the United States Navy with the Naval Act in 1794. It was the capture of 316 American merchantmen by the French that led to the Quasi-War against our one-time ally. It was the impressment of 6,000 merchant mariners that triggered America's declaration of war against Great Britain in the War of 1812. In the war against Mexico, American merchant ships transported General

Winfield Scott's army to Vera Cruz. That campaign led to the acquisition of the entire southeastern part of the United States. The first shots of the Civil War were from a South Carolina battery against SS Star of the West as she steamed toward Fort Sumter to relieve the beleaguered garrison. Later, Confederate Navy raiders, and the lack of protection by the United States Navy, led to the near demise of the American merchant fleet. In 1898, the government hired merchantmen to transport Americans overseas and land them in Cuba, Puerto Rico, Hawaii, Guam, and the Philippines. In World War One, it was the sinking of ten American commercial ships during the period of Unrestricted Submarine Warfare, and the death of 64 merchant mariners, that led President Woodrow Wilson to ask for an American declaration of war. This Veteran's Day marks the 102nd anniversary of the Armistice and during the Great War, the United States lost 197 ships and 629 mariners. The Second World War witnessed American merchant ships braving enemy fire long before this nation formally

entered the war. SS *City of Flint*, after rescuing survivors of SS *Athenia*, the first victim of a U-Boat in the war, was captured by the German pocket battleship SS *Deutschland*. MS *City of Rayville* was the first ship lost to enemy action when she struck a mine. As the Japanese launched their attack on Pearl Harbor, SS *Cynthia Olsen* fell victim to a Japanese I-Boat. SS *President Harrison* attempted to escape from China but was forced to run herself aground to prevent capture by a Japanese destroyer. The United States lost 733 merchantmen in the war and 9,521 killed. [Related Book: *The Cruel Sea* by Nicholas Monsarrat] During the Cold War, the American merchant marine supported military operations against Communism. In operations off Korea, SS *Meredith Victory* rescued over 10,000 Korean civilians from Hungnam and transported to the south. In Vietnam, American merchant crews braved the Rung Sat and faced over 138 attacks and 11 ships were sunk by Viet Cong sapper attacks in ports. SS *Mayaguez*, a Sea-Land container ship, was seized by elements of the Khmer

Rouge in the final act of the conflict. In the late 1980s, the Tanker War in the Persian Gulf, witnessed direct attacks on American ships with the mining of *MV Bridgeton* and *Texaco Caribbean*, along with a Silkworm missile strike on *MV Sea Isle City*. In the Persian Gulf War, operations in Somalia, and the Iraqi War, American freighters and tankers once again sailed into contested waters and faced threats from mines, shoredside attacks, and ballistic missiles. This Veteran's Day we remember those merchant mariners who gave their lives and exposed themselves to danger. As it states on the flag of the United States Merchant Marine, In Peace and War. [Editor's Note: An excellent related book is "*The Mathews Men: Seven Brothers and the War Against Hitler U-boats*" by William Geroux. This article was originally published in *gCaptain* in November of 2018. If you're interested in supporting veterans consider joining the American Merchant Marine Veterans (AMMV). The author Sal Mercogliano is a merchant mariner and associate professor of world maritime history at Campbell University in North Carolina.]

ExxonMobil Last to Join Big Oil Job Cut Club

Exxon Mobil Corp. will cut jobs by 15% through the next year, an unprecedented workforce reduction by once the strongest oil company in the world. The cuts will include at least 1,900 U.S. jobs, mostly in Houston, as well as layoffs previously announced in Europe and Australia. Personnel reductions are Chief Executive Officer Darren Woods's latest effort to curtail spending and halt the worst string of quarterly losses since Exxon assumed its modern form with the 1999 takeover of Mobil Corp. "These actions will improve the company's long-term cost competitiveness and ensure the company manages through the current unprecedented market conditions," the company said in a statement on Oct. 29, 2020. Exxon's total reduction means the company will reduce its workforce by an over-

all amount of about 14,000 people, split between employees and contractors, from year-end 2019 levels. The cuts will come through attrition, targeted redundancy programs in 2021, and scaled-back hiring. Exxon's competitors are also cutting thousands of jobs in response to the pandemic-induced demand slump. BP Plc plans to slash 10,000 jobs, Royal Dutch Shell Plc will cut as many as 9,000 roles and Chevron Corp. has announced around 6,000 reductions. Chevron recently surpassed Exxon in size in terms of market capitalization. The pandemic exacerbated a trend that came after U.S. shale producers unleashed vast amounts of oil and gas, helping push down global prices. It has been six years since Brent oil, the global benchmark, topped \$100 a barrel. At the end of October 2020 Brent listed in the mid-30's.

Cruise Ship Restart Cancelled by COVID

The owners of the small luxury cruise ship *SeaDream 1* have halted the cruise that was intended in part to restart the industry that coronavirus has shut down almost entirely. The ship returned to Barbados in the Caribbean following several positive coronavirus tests among passengers, the company said on Friday. "The *SeaDream I* vessel has returned to port in Barbados and all passengers are currently being re-tested," the company said in a statement. "The ship's medical staff has tested all crew members and all tests have come back negative," *SeaDream* said. Cruise ships were home to the some of the earliest clusters of COVID-19 as the pandemic spread globally early this year, shutting down much of the cruise industry.

SeaDream Yacht Club, the owners of the ship, said in September it planned to become the first luxury cruise operator to resume sailing in the West Indies, with 22 voyages planned from Nov. 7 onwards. By contrast, most U.S. cruise operators have suspended their operations until the end of 2020, The Cruise Lines International Association (CLIA) said on Nov. 3. *SeaDream Yacht Club*, founded by Norwegian investor Atle Brynstad, operates two luxury vessels, each with a capacity of up to 112 passengers. It was not yet known how many positive COVID cases were reported. It appears there was extensive testing before boarding. The ship had cruise journalists onboard and possibly others throughout the industry.

Original Intent of California Ballot Propositions Process Gone Awry

For California Gov. Hiram Johnson in 1911, a general one-person one-vote election on a single issue—a plebiscite—was about power to the people. It was seen as a way for citizens to break the tight grip of the era's most powerful California interest group, the Southern Pacific Railroad. Johnson's inaugural address promised

that those writing laws by voting would “prevent the misuse of the power temporarily centralized in the Legislature,” which at the time was controlled by railroad officials representing the interests of robber barons.

It is a weird twist of fate that today extremely well-funded business interest

Uber and Lyft Drivers in California Will Remain Contractors

continued from page 1

erate their own firms — must be treated as employees. Under Prop. 22, gig workers are exempted from these rules and can continue to work independently. It is a bitter defeat for organized labor and not just in California.

The Yes on Prop. 22 campaign, backed by Uber, Lyft and DoorDash, celebrated the victory. “California has spoken,” Geoff Vetter, a spokesman for the campaign, said in a news release. “Prop. 22 represents the future of work in an increasingly technologically-driven economy.” On Wednesday morning, executives at Lyft and DoorDash praised the outcome.

“The last 14 months in California have been the most critical point on this issue,” said Bradley Tusk, a venture capitalist who advised Uber on political issues

during its early years. Emboldened by the election, Uber and other gig economy players are likely to pursue federal legislation to enshrine gig work in the nation's labor laws.

Many local officials believed California was too gentle for too long when it came to regulating Uber and Lyft and naïve about how powerful and influential the companies would quickly become.

“For all too long, Uber and Lyft banked on the timidity of public officials throughout the country,” said Dennis Herrera, the city attorney of San Francisco. “They said: ‘We’re not going to ask permission. We’ll sort of ask for forgiveness after the fact, once the horse has left the barn.’” Mr. Herrera has sued Uber and Lyft in an attempt to force them to employ their drivers, and the litigation continues.

Biden Wins Presidential Election; Trump sues, declines to concede

continued from page 1

Merchant Marine Academy. The expected battleground of Florida did not materialize, but razor-thin margins for Biden in Georgia stunned pundits and pollsters. The so-called “blue wall” was rebuilt in favor of Biden in Wisconsin, Michigan, and Pennsylvania, all of them important swing states that went for Trump in 2016. Although there will be months of analysis before it is understood, it appeared that a last-minute blitz of swing state rallies by the President was not enough to overcome the deliberate forethought of early mail voters. Eventually the math supporting Biden's election was inescapable and in New York, Washington, Los Angeles, Atlanta, Seattle, San Francisco and other cities there were impromptu street celebrations of relief and joy, despite the coronavirus pandemic.

AFL-CIO President Rich Trumka said that “Joe Biden's firewall was Union made” and that his path to the White House ran through the labor movement. According to an AFL-CIO survey, fifty-eight percent of all Union members voted in favor of Joe Biden and Kamala Harris, the first woman Vice-President-elect and senator from California. Trumka said that Union members were voting for basic rights “The right to collective bargaining. Fair wages and workplace safety. A voice on the job. The belief that all work has dignity and everyone should retire with security.” Trumka declined to make it a partisan issue: “None of that is red or blue,” he said. “It's simply American. It's what America's labor movement has fought for in 2020—not just in this election but in our workplaces, too.” For the AFL-CIO it was fundamentally a Union victory. “Let's be clear,” Trumka said in a speech the day after the election was called, “Union voters delivered this election for Biden and Harris.”

Transportation labor also figured heavily in the election and Larry Willis, President of the Transportation Trades Department of the AFL-CIO, spoke for

all of them when he said ““On behalf of the millions of transportation workers represented by TTD unions, we congratulate President-elect Joe Biden and Vice President-elect Kamala Harris on their historic victory.” He said that they have “clearly and decisively chosen unity over divisiveness, leadership over chaos, and working-class values over corporate greed.” Willis pointed to voter turnout as an expression of underlying fundamental dissatisfaction with the system inequality as critical to the election outcome. “Despite attempts to silence their voices and put up barriers to their votes, working people turned out in record numbers to elect leaders who will put their interests first including staggering economic, racial and gender inequality.” Transportation workers, who have routinely risked their lives on the front-lines to keep the country's security and supply chains operational, were among the most active of Unions.

But the election was not the massive wave that some prognosticators envisioned. The Democrats lost seats in the House, although they maintained a majority. In the Senate, seats were gained but unless two runoff elections in Georgia take the unlikely path of favoring of Democratic challengers, the Republicans will retain control of the Senate. Further downballot, labor lost a hard-fought battle to outrageous corporate spending to overturn worker protection in California with Prop 22. And although the vote was decisive for Biden as he garnered more popular votes than any other Presidential candidate in U.S. history, and although the final electoral college tally will be won by a wide margin, more than 70 million Americans also voted for the incumbent Donald J. Trump. The country remains divided by race, party, and geographic locale to name only a few partitions.

For more on the political ramifications of the election for the SUP and the U.S. Merchant Marine see the President's Report on page 9.

Now About Money Not Democracy

groups, not citizens, control the modern-day ballot measure process.

Nearly seven decades after the empowerment of state voters, the anti-tax crusade of Howard Jarvis in 1978 and Proposition 13 revealed the political strength of a direct democracy tool that has come to redefine the state's politics ever since. In 1978 the public distrust of government was launched an electoral superpower. It no longer took haggling with legislators in Sacramento to write a law. It took only a popular concept and — over the last two decades — enough money to wage a nonstop blitzkrieg of TV commercials and mailbox fliers.

This year voters considered a dozen propositions on a variety of complicated policy ideas. Carefully crafted by powerful interest groups, some lacked an urgent public need. Democratic political strategist Gale Kaufman said. “With brute strength, you can buy yourself virtually any law you want or defeat any law you want.”

It's about the money. Proposition 22 had a bank account before it had a blueprint. Uber and Lyft, joined later by DoorDash and others, set aside \$90

million last summer — weeks before drafting an initiative — frustrated that state lawmakers wouldn't include an exemption for their drivers in a far-reaching worker classification law, Assembly Bill 5.

In the end, the big tech companies supporting Prop 22 had paid for the most expensive ballot measure campaign in U.S. history. Not every political campaign with money wins, but the large war chest for Proposition 22 helped it break through the noise in an election season in which voters were focused on the presidency and the pandemic.

“Backing a ballot initiative is a way to lock your own special deals and detailed preferences into the state Constitution or into initiative statutes, which are super-laws that often require another vote of the people to amend them,” said Joe Mathews, a longtime California journalist and a columnist for Zocalo Public Square in Los Angeles.

As the elections becoming increasing about money, the origins of the value of direct democracy are diminished. “It's a bitter irony that the ballot initiative, a tool used all over the world to advance democracy, is used in California to short-circuit and cancel democracy here,” Mathews said.

With enough money, the same issues can be raised over and over again.

AFL-CIO: A Pro-Labor, Pro-Worker Election and Administration

Democracy is prevailing. Joe Biden and Kamala Harris' victory in this free and fair election is a win for America's labor movement. Everywhere in every way, working people are heroically and resiliently fighting back against this pandemic, its economic fall out, chronic income inequality and systemic racism.

AFL-CIO official statement on the election

President-elect Biden and Vice President-elect Harris saw us, heard us and campaigned on a promise that we, as one nation, will build back even better than before. That is why working people decisively rejected the politics of darkness and division and voted in record numbers for public servants who want to join us in writing America's comeback story.

Let's be clear: Union voters delivered this election for Biden and Harris. Their

message and commitment to create “the most significant pro-labor, pro-worker administration” resonated with our 12.5 million members and 56 affiliated unions who are hungry for a bigger voice in our economy and our politics.

Now the AFL-CIO stands ready to help the president-elect and vice president-elect deliver a long overdue workers' first agenda. That starts with passing the HEROES Act to provide our families and communities emergency support and services in the face of this deadly virus. But COVID-19 relief is just that—relief. Once working people are made whole, the real rebuilding can begin. We call on Congress to pass and Biden to sign the Protecting the Right to Organize (PRO) Act early in 2021 to make sure every worker who wants to form or join a union is able to do so freely and fairly. Working people want our leaders to act swiftly and think more boldly than ever before. The time to begin is now

Biden Administration May Benefit Jones Act

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needs to be woven into our national security strategies.”

Former U.S. Rep. Ernest Istook, an Oklahoma Republican, said the need for such a strategy is evident, where 90% of world trade is moved by ship, and Great Power competitor China is the world's biggest shipbuilder, by some measures has the world's largest navy, and is expanding its commercial ports and naval bases around the world.

Both Biden and President Donald Trump support the law, although Trump considered and later rejected an extended waiver for foreign carriers to

deliver liquid natural gas to hurricane wracked-Puerto Rico and LNG-dependent New England States. Biden incorporated Jones Act and American Merchant Marine support in his campaign's Buy American/Ship American strategy.

“Historically, the U.S. maritime industry has been a leader in technology,” Walton said, “but now in the 21st century, the Biden administration, as it appears it's going to be, will have an opportunity, I think, to take some leadership and, as Adm. Zukunft said, actually craft an integrated national strategy for the maritime industry, and then implement it.”

World Govts Continue to Subsidize Shipping During COVID-19

Governments have been dishing out billions of dollars in shipping aid packages during the Covid-19 pandemic with very few strings attached, a situation that ought to change according to a new report from the Paris-based International Transport Forum (ITF), which operates under the auspices of the Organization for Economic Co-operation and Development (OECD).

ITF researchers have compiled a list of the maritime state aid handed out around the world this year (see below). The vast majority of is not aimed at any achieving wider policy objectives.

The report argues that the “Maritime sector support should be targeted more strategically to help achieve broader objectives than mitigating losses for recipients.” Specifically, the authors note that “Aid schemes usually include safeguards to avoid that firms will be overcompensated... [but] governments rarely impose conditions designed to achieve public policy objectives other than the immediate goal of mitigating economic losses for the shipping sector due to Covid-19.”

There are a few very limited exceptions. The Finnish government imposes three conditions on aid recipients such as carrying products “deemed essential for the security of supply,” must cross a capacity threshold of at least 5,000 metric tons per week and must provide regular service. Germany has reserved part of its maritime support package for cleaner ships and maritime innovation. Aviation is also a large beneficiary of state-based aid with no or few strings attached.

In the list compiled by the ITF, France is by some distance the largest donor of maritime state aid this year followed by South Korea.

Covid-19 support packages for the maritime shipping industry

Country	Beneficiaries	Main measures	Mio EUR
Singapore	Shipping companies, seafarers	Reduction of port dues	20
South Korea	HMM	Liquidity support	600
South Korea	Maritime companies	Liquidity support	1 000
United Kingdom	Cruise shipping companies	Liquidity support Bank of England Covid Corporate Financing Facility (CCFF)	350
United Kingdom	Ferry operators	Support for ferry routes UK-Northern Ireland, and UK - Continental Europe	63
Germany	No details available	Innovation, research, shore power, LNG bunkering, fleet renewal, cleaner ships	1 000
France	CMA CGM	Loan guarantee	1 050
France	MSC Cruise	Refinancing of loans by public development bank SFIL (formerly Société de financement local)	2 600
Finland	Maritime firms crucial for security of supply	Loan guarantees	600
Sweden	Eight ferry companies	Tax reduction for ten idled ferry ships	10
Estonia	Four ferry companies	Grant to compensate for lost revenues	20
Croatia	Maritime companies	Loan guarantees	80
Ireland	Three ferry companies	Support for costs of five ferry routes	15
Greece	Ferry companies	No details available	35
Italy	Ferry and cruise companies	Tax breaks, lost revenue compensation	85
Hong Kong, China	Ferry and cruise companies	On-off subsidies (ferries), waiving of rent and fees, refund of berth deposits (cruise)	n.a.
Chinese Taipei	Yang Ming, Evergreen	Credit facility and loan interest subsidies	850

Compilation: International Transport Forum from EU State Aid Database³, government agencies⁴, media reports⁵

CMA CGM Bets On E-commerce Future

The head of CMA CGM SA says the future of the world’s fourth-largest container line will increasingly be built on e-commerce.

The French shipping company is bringing the logistics business it acquired last year more deeply into its operations as the carrier takes on bigger trade volumes aimed at online consumers.

“Clients like Amazon and Walmart are looking for one entity for all their shipment needs,” CMA CGM Chairman and Chief Executive Rodolphe Saadé said in an interview. The company has swapped out the management of Ceva Logistics AG, the big logistics operator it acquired last year, and moved its headquarters from Switzerland to CMA CGM’s base in Marseilles. Mr. Saadé said the moves are aimed at turning the loss-making Ceva profitable while embedding its inland distribution specialties into the shipping line’s own port-to-port operations.

CMA CGM is seeing signs of changing distribution patterns in recent import surge that hit U.S. shores in the third quarter, Mr. Saadé said.

“Amazon and Walmart are increasing

significantly their volumes coming out of Asia to the U.S. People don’t go to the malls with the pandemic, but they buy on the internet,” he said. “These clients are increasingly asking for warehousing and last-mile services.”

Shipping executives and brokers estimate that up to a quarter of all container volume heading into the U.S. from across the Pacific in recent months has been destined for e-commerce distribution centers and that demand continues to grow. CMA CGM is one of the biggest operators on trans-Pacific container lanes.

The company’s logistics investments are part of a broader move in the maritime sector.

Companies including A.P. Moller-Maersk A/S are investing in warehousing, customs clearance and truck capacity to cater to the growing demand.

The Danish company’s Maersk Line operation, the container-market leader, said earlier this month that it will consolidate its supply-chain services by having its logistics division absorb Damco, a separate arm of the group that provides air and ocean freight forwarding.

CMA CGM is betting on Ceva to fulfill that part of the supply chain, which it spent \$1.65 billion to purchase last year despite the fact that it so far has produced only losses.

Mr. Saadé said he expects Ceva, which lost \$1 million in the second quarter, to show a profit next year. The CMA CGM group, which includes the main shipping arm with a fleet of 500 ships, made a profit of \$136 million in the quarter, after a \$109 million loss last year.

“This year our profit is coming from shipping,” Mr. Saadé said. “Tomorrow, most probably it will be divided between shipping and inland logistics, maybe half and half, over term.”

Georgia Becomes Epicenter of Political Action

Control of the U.S. Senate is boiling down to Georgia, likely dragging the fight for the majority out until early January.

Democrats are hoping to force a 50-50 Senate on a narrow, uphill path that requires them to win both seats in the typically red state. With Joe Biden as President, a 50-50 margin would hand them the majority because Vice President Kamala Harris could break a tie.

On January 5th GOP Sen. Kelly Loeffler will face Democratic nominee Raphael Warnock and Sen David Perdue (R-GA) will face Democrat challenger Jon Ossoff. This is because both Loeffler and Perdue fell below 50 percent of the November vote, the amount that is needed to win the election outright under Georgia election law.

“It’s about the maximum chaos,” said Miles Coleman, an associate editor at Sabato’s Crystal Ball. “We didn’t expect the stakes to be this high. There’s going to be enormous pressure on the Georgia Democratic Party to flip those seats.” A Democratic strategist working on the Senate races warned that the next two months will be a “crazy ride.” “All eyes are on Georgia,” the strategist added. “There’s a ton at stake and it’s a highly competitive state.”

The dual runoffs, with the Senate majority on the line, would set the stage for a nail-biting finish to an already chaotic,

historic election year, with millions already set to pour into the state.

“If overtime is required when all of the votes have been counted, we’re ready, and we will win,” said Perdue’s campaign manager Ben Fry, while linking Ossoff to “Chuck Schumer’s radical, socialist agenda.”

Ellen Foster, Ossoff’s campaign manager, fired back that “Georgians are sick and tired of the endless failure, incompetence, and corruption of Senator Perdue and Donald Trump,” and predicted that Ossoff would ultimately win the January runoff.

Warnock, who is hoping to unseat Loeffler in January, released an ad recently that acknowledges the political reality of negative campaign.

“Get ready Georgia. The negative ads against us are coming,” Warnock said, warning that Loeffler will “try and scare you with lies about me.”

The dynamic will put Georgia at the center of the political universe for roughly the next 60 days with two races that are already being nationalized. Multiple officials who will be involved in the race declined to put a price tag on the runoff, but one GOP official didn’t rule out that it could top \$100 million.

“We’ll be investing heavily in Georgia,” AFL-CIO President Richard Trumka told reporters during a conference call.

Defend the Jones Act

Support the SUP Political Fund



We must guard against being fooled by false slogans, such as ‘right to work.’ It is a law to rob us of our civil rights and job rights. Its purpose is to destroy labor unions and the freedom of collective bargaining by which unions have improved wages and working conditions of everyone...Wherever these laws have been passed, wages are lower, job opportunities are fewer and there are no civil rights. We do not intend to let them do this to us. We demand this fraud be stopped. Our weapon is our vote.

Martin Luther King, Jr.

2020 Hurricane Season Beats Record at 30 Named Storms

Yet another major storm system gathered strength in the central Caribbean and was named Tropical Storm Iota as it heads toward hurricane-ravaged Central America.

Iota is forecast to reach hurricane strength and approach Nicaragua and Honduras, the National Hurricane Center said. That region is still recovering from Hurricane Eta, which ripped through the same area earlier this month and left more than 100 dead.

Iota is the 30th named storm in the Atlantic this year, beating the old record of 28 set in 2005. If it takes similar path as Eta, which came ashore as a Category 4 hurricane with winds of 140 miles

per hour, there could be widespread flooding. Eta then headed back out to sea, and passed across Florida on November 12.

The Atlantic currently has two named storms simultaneously: #Theta and #Iota. This is the latest in the calendar year that the Atlantic #hurricane season has had two named storms simultaneously since 1887.

Iota could become a Category 3 storm with winds of 111 mph as it approaches the coastline, said Jim Rouiller, lead meteorologist at the Energy Weather Group.

Since the first storm of the year formed off the U.S. East Coast in May,

the year has been a horrible factory of storm destruction. Hundreds of people have died, billions in dollars of losses and damages have been incurred and records have fallen by the wayside one after the other.

An unprecedented 12 named storms have hit the contiguous U.S., with the Gulf Coast bearing most of the damage. The East Coast has been hit too. New York lost power in early August when Hurricane Isaias came ashore in North Carolina and tracked up the Northeast.

There were so many systems formed that the National Hurricane Center used up its official name list in mid-September and resorted to using Greek

letters. “We didn’t expect to see the 2005 record go down so soon,” said Phil Klotzbach, lead author of the Colorado State University seasonal forecast.

Iota may not be the last storm of the year. Long-range computer models suggest another storm could follow. Officially, the season ends on Nov. 30, though in 2005 the last storm formed on Dec. 30, according to hurricane center records.

As the *West Coast Sailors* goes to press, Hurricane Iota came ashore on 11/17 as an extremely dangerous Category 4 in northeastern Honduras just 12 days after Eta hit the same area. A humanitarian crisis looms.

November 2020

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, 2019 and ending July 31, 2020 (the “2019 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 2019 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

	2019 Plan Year	2018 Plan Year	2017 Plan Year
Valuation Date	August 1, 2019	August 1, 2018	August 1, 2017
Funded Percentage	Over 100%	Over 100%	Over 100%
Value of Assets	\$106,530,327	\$105,673,021	\$104,556,811
Value of Liabilities	\$ 99,134,084	\$ 97,021,217	\$ 90,405,432

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 each 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, 2020 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 2019 annual report filed with the Department of Labor in May 2021.

	July 31, 2020	July 31, 2019	July 31, 2018
Fair Market Value of Assets	\$101,843,604	\$104,172,254	\$105,757,360

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 2019 Plan Year.

Participant Information

The total number of participants and beneficiaries covered by the Plan on the valuation date was 2,150. Of this number, 847 were current employees, 962 were retired and receiving benefits, and 341 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 2019 Plan Year. These allocations are percentages of total assets:

Asset Allocations	Percentage
1. Cash (Interest bearing and non-interest bearing)	3.4%
2. U.S. Government securities	0.0%
3. Corporate debt instruments	0.0%
4. Corporate stocks (other than employer securities):	21.8%
5. Real estate (other than employer real property):	8.8%
6. Value of interest in registered investment companies (e.g., mutual funds)	62.1%
7. Other	3.9%

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 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 2018 Plan Year and earlier plan years are available now. The annual report for the 2019 Plan Year will be available when it is filed with the Employee Benefits Security Administration in May 2021. 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 multiemployer 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/prac/multiemployer. Please contact your employer or fund administrator for specific information about your pension plan or pension benefit. PBGC does not have that information. See “Where to Get More Information about Your Plan,” 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

ELECTION OUTCOME

An historic election finally reached a close if not conclusion as President-Elect Joe Biden and Kamala Harris were declared the winners by major media, as the vote count continued to confirm that calculation, and as legal challenges and allegations of voter fraud emerging from the Trump campaign failed so far to gain strength. Biden gave a victory speech on Friday November 6th, and although President Trump has not yet conceded, a form of transition of the Executive Branch is reportedly underway.

Down ballot the Democrats lost seats in the House while still retaining a majority. In the Senate, Democratic gains fell short of a majority pending the outcome of two runoff elections in Georgia in January. In order to gain control of the Senate, Democratic challengers in Georgia need to win both races on January 5th which would result in a unlikely 50-50 split for which Vice-President-elect Kamala Harris would be the tiebreaking vote. Across the country, a predicted wave election that might have led to far more radical changes, did not materialize. Election analysis is premature, but if the Republicans retain control of the Senate, then a narrowly divided government representing a divided nation will persist. Such conditions may aid support for the traditionally bi-partisan U.S. merchant marine, but in any case, the SUP must remain vigilant and active to ensure that support for sealift capability, for MSP funding, for Jones Act respect, for cargo preference and for merchant mariners as critically essential parts of the supply chain is delivered as promised.

SUP supported candidates benefited from our focused contributions, particularly Kai Kahele in the second district of Hawaii, Marilyn Strickland and Pam Shrier in Pacific Northwest, and Josh Harder and Jerry McNerney in the Central Valley of California battlegrounds. There is a still undecided House race in California's 21st Central Valley District, where the SUP supported Filipino-American T.J. Cox trails David Valadao by a few thousand votes with many thousands of ballots left to count. Cox won by only 800 votes in 2018 and could benefit by the same pandemic-induced mailed ballot advantage that Democrats experienced nationally. More broadly, the long-time and powerful SUP-endorsed maritime champions such as Pramila Jayapal, Rick Larsen, Alan Lowenthal, John Garmendi, Barbara Lee, Sean Maloney, Peter DeFazio and many others were also re-elected. And in a territory once reliably opposed to the Jones Act as it was represented by John McCain, SUP supported Mark Kelly in Arizona was elected to the U.S. Senate. We look forward to working with them all to effect a change in maritime law to render it more equitable and an aid to the development of the American Merchant Marine and a body of American seamen, as it says in the SUP Constitution.

Finally, labor took a massive hit in California with the passage of a landmark right-to-work ballot measure called Proposition 22. It gives legal standing to the misclassification of "gig" employees as contractors. Despite deceptive language about being pro-worker, in the near term it is a slam-dunk victory for companies that don't like to pay overtime or benefits or have to deal with Union contracts. At a cost of nearly 200 million dollars, it sends a clear message to the ultra-rich forces arrayed against workers – a vote of the people can be bought even if it is against their long-term interests. It says that overturning the law of the land made by elected representatives and the court decisions that supported it is not so difficult just expensive. Such a fact has far-reaching if unknown consequences for business and labor but there is no silver lining here and no sugarcoat – Proposition 22 was a stinging defeat for labor. As parts of the seemingly omnipotent technology economy now emerge as more or less anti-labor, the view opens on a new battlefield. For much more on the election see this month's West Coast Sailors and visit the political and elections 2020 page of the SUP website at www.sailors.org.

AMERICAN PRESIDENT LINES

Maritime Security Program: maritime Unions remained engaged on Capitol Hill to secure funding for the all-important MSP. These efforts pre-date the pandemic but became part of or connected to the overall COVID-19 relief funding package that has been the primary budgetary focus of Congress in the run up to the election. As it became clear that no relief package would be approved before the election, and the government would be kept open by a Continuing Resolution (CR), the Maritime Administration acting in part on our requests funded the MSP at increased rate of the new legislation using MSP carryover funds that were previously appropriated but unobligated in the MSP account. That means that even without the enabling legislation, the MSP program is funded for another month at the \$314 million level (up from \$300 million) covering the outset difference between fiscal year 2020 and 2021 under the CR.

As noted above, however, long term funding levels of the Maritime Security Program, embedded within the National Defense Authorization Act, will require continued appropriations independent of the reasonably secure national defense outlook in the new government.

Chinese Visas: On October 27 APL management informed the SIU-PD Unions that due to various factors it was renewing the policy of facilitating the process for acquisition of Chinese visas for all EX1 service dispatches. Management will continue to reimburse the visa consulate fee and urged all members to get a visa (if possible) to "facilitate medical attention ashore and/or repatriation." For context, an SUP member without a visa recently sustained an injury in a Chinese shipyard. Since there were no visas available and no shore leave permitted by the Chinese government, the injured member was technically "attached" to the ship despite the injury. There came a period of quarantining, multiple COVID tests, Chinese government clearance via MarAd and State Department intervention, and finally surgery and convalescence before repatriation. A pre-existing Chinese visa would have helped, and while obtaining a Chinese visa is not a requirement for an assignment, and may be difficult to get, the Company still urges the attempt. This is a situation that could be affected by the

election and change quickly without notice in the months ahead.

RTS Agreement: In October APL management proposed another renewal of the temporary Restriction to Ship Agreement. Remembering that in late September the membership ratified a renegotiated rate amounting to a 50% increase to \$150 per day, the Union conducted some polling and internal review I worked with San Francisco Business Agent Roy Tufono, Wilmington Branch Agent Leon Gandy, and Vice-President Matt Henning, on an internal review that included average per trip additional compensation of \$900, due in part to the congestion delays in Los Angeles. Then after discussion with the MFOW and the SIU as well as the licensed unions, we tentatively agreed to the same terms, (with continued efforts at internet improvement functionality in President Roosevelt), subject to ratification. Those terms are for a temporary 30 day agreement to compensate sailors for restrictions not required by local government at the stipend rate of \$150.00 per day (or overtime for less than 4 hours) plus \$40 per week in slop chest offset and continued premium internet service, among other administrative items. Mr. Chairman, I recommend ratification.

INDUSTRY TELECONFERENCE

On November 4, I participated in another large industry teleconference hosted by the Maritime Administration, and military commanders at the U.S. Transportation Command (TRANSCOM), as well as the Coast Guard (USCG) and other government agencies. Officials noted that merchant mariners continue to maintain a high priority for the COVID-19 vaccine when it becomes available. That timing now appears to begin in January of 2021 as part of Operation Warp Speed. The Coast Guard also warned that it plans to return next year to a more traditional credential renewal program, which suggests an end to the current June 30, 2021 extensions is foreseen.

Labor for its part demanded that government and military officials to keep the physical and mental health of merchant mariners at the forefront of their minds. We noted that there had been some restriction-to-ship agreements and accommodations with some employers, but that the general situation cannot persist indefinitely without severe consequences. We noted inconsistency and lack of availability in virus testing, some localized problems with on-board internet, but acknowledged an increase in available PPE. We thanked the USCG for the extensions, noted improvement in Diego Garcia flights for reliefs while calling attention to the burden of longer assignments for all given the quarantining and infrequency of flights. Finally, and acknowledged the work of the U.S. Department of State among others to secure regular repatriation protocols as well as assistance in China with an injured member.

Government officials and health experts called attention to the recent increase of COVID-19 cases, the next 8 to 12 weeks will see the crest of a ferocious second wave. Thanksgiving holiday gatherings was foreseen as a transmission event, and although it wasn't mentioned on the call the post-election celebrations relaxation of careful preventative behaviors could increase the danger. Last week there was the first day of more than 100,000 new cases in a single day nationally, a record broken the very next day by report of more than 126,000 cases. It's frustrating but San Francisco and many other places have started to restore some restrictions.

Accordingly, members are urged to not let down their guard, to maintain good respiratory, hand and face hygiene, practice radical social distancing, and continue to support all the other protocols in place. In our homes, halls and ships our many layered defense has kept us safer, lessened the impact, and prevented the spread of disease. Combined with luck, the SUP has had remarkably successful run against a dangerous virus. Vigilance may extend our luck and bolster the resilience for which the Union can be rightly proud.



AB Tankermen Sergio Robles and Frank Duffin on the main well deck of the tanker SNLC PAX off Japan with Mount Fuji on the horizon. Robles and Duffin have ably handled the many duties of a shallow draft tanker in calling in various Asian ports for the last six months. Working both at sea and quarantined on board during a rigorous shipyard period, they repeatedly demonstrated skill in seamanship in the finest traditions of the SUP.

SUP President's Report continued

FORMAL OBJECTIONS TO PROPOSED RULES ON INDEPENDENT CONTRACTORS AND HAIR FOLLICLE DRUG TESTING

The SUP joined with the rest of transportation labor to request a delay, or oppose implementation if a delay is rejected, of the U.S. government's proposed regulatory guidelines for the use of human hair samples in federal workplace drug testing. Via the AFL-CIO's Transportation Trades Department, we registered again our strong and unified objection to the potentially discriminatory nature of the test (where people of color may unfairly test positive) and other unreliability built into the program structure that depends on undeveloped science. If allowed to go forward unchecked, hair follicle test will eventually reach and change drug testing system within the maritime industry.

In another letter, we also vehemently opposed a Department of Labor proposed rulemaking that would amend the definition of independent contractors under the Fair Labor Standards Act. Like Proposition 22, this is an attack on working people and their right minimum wages and overtime, allow employees almost an entirely free hand in misclassification of workers. There will be more in this ongoing battle in the months ahead.

UFCW LOCAL 5 CONTRACT NEGOTIATIONS

On October 26, I contacted John Nunes, President of UFCW Local 5 with official and unofficial notice intent to bargain a new contract to replace the existing Agreement that nominally expires on December 31, 2020. In preparation for bargaining, along with SUP VP Matt Henning we began outreach by various methods to members on the issues. As is always the case, the Union is accepting proposals on all matters related to collective bargaining and members are urged to submit in writing any item of consideration for review and development. Will continue to keep the membership informed on these negotiations.

MATSON NAVIGATION CO.

Cape Hudson: After a four-month high-profile deployment on the Pacific Defender mission throughout Asia including the Cobra Gold operation, the Ready Reserve Ship *Cape Hudson* returned home to Pier 50 in San Francisco in good shape on October 27, 2020. Bosun Phil Coulter and delegate Andrew Montoya deserve credit for their skill in seamanship and deft handling of many different difficult situations, not least of which was continuous quarantine and offloading the ship in Thailand when Thai stevedores refused to work an American ship. AB's Robert Lee, Ian Serra and Jamie McKeller helped finish off the trip, along with Ordinary Seamen Reggie Glover, Damon Collins, and McKevin Dulay. Kudos to all.

Security Breach: On October 14 Matson information networks were attacked by cyber-criminals. The attack potentially exposed the biographical data of employees to hackers. Although the Company has no information that employee data was accessed, used, or sold, it has reported the attack to law enforcement and taken other precautions. Included in those precautions is a company-paid one-year membership in an identity protection service through the credit bureau Experian using a product called Experian IdentityWorksSM. Individual letters on the topic were sent by the Company to every SUP member who has worked for Matson and has a personnel record on file. The same letter is posted on the ship and in the Union hiring halls.

Briefly, members can enroll online for fraud protection or as an alternative can call Experian Credit Bureau at 877-890-9332 if they believe there was fraudulent use of their information, and a Experian Identity Restoration agent will help investigate and resolve each incident of fraud (including, as appropriate, helping with contacting credit grantors to dispute charges and close accounts; assisting in placing a freeze on your credit file with the three major credit bureaus; and assisting with contacting government agencies to help restore your identity to its proper condition).

Separately, Matson had recent positive COVID cases at Sand Island, including one SUP member, and in addition to quarantines the Company expanded its preventative measures beyond temperature checks at the gate; protocols for masks, social distancing, and sanitizing; mandatory testing of new crewmembers; and the on-going monitoring of the health of crewmembers while aboard. Now Matson will offer an optional pre-discharge COVID-19 tests to departing crew members before returning home. The request will be made at the same time as the relief request. Then using a test kit kept in reserve inventory on each ship, the ship's Medical Officer can administer the test



The second Kanaloa-class con/ro combination ship *Matsonia* costing nearly \$521 million was completed in San Diego and called for SUP crew in mid-November. Dave Reinking, bosun.

prior to the vessel arrival. Upon arrival in port and using the vessel's mail process, the swab shall be sent overnight via FedEx to Matson's COVID manager OML and their laboratory in Georgia. OML will send the test results to the Crewing Department, who will then forward the test result to that crewmember's personal email address or call the crewmember with the test results if a personal email address is not listed. The crewmember can expect to receive their results in approximately 24 hours.

Finally, Matson reported excellent earnings for the third quarter despite the troubles of the economy mainly due to its China service, which includes U.S.-flag and its now "permanent" foreign-flag "CLX+" service. Volumes were up more than 124% in the China trade and relatively flat everywhere else. The Company's net income improved to \$70.9 million versus \$36.2 million in 3Q 2019. The Company also reported the new-build con/ro *Matsonia* at 99% complete and scheduled to enter service in the fourth quarter. [Editor's Note: As the West Coast Sailors goes to press, Matson called for plankholder crew to join *Matsonia* in San Diego on 11/17 for Coast Guard inspection and maiden voyage.]

QUARTERLY FINANCE COMMITTEE

In accordance with Article XVII, Section 2 of the SUP Constitution, a Quarterly Finance Committee will review the finances of the Union after the quarterly audit of Union funds is complete, and then report back to the membership. The elected Committee comprised of members in attendance was "shipped off the deck" and met on November 9 to do the work. They looked at the income and expenses of all accounts, noting net positive number for the third quarter of the year. The members of the Committee – John Crockett, Tom Shafer, Dennis Sumague, Lymwel Gador, and James Linderman – were advised of the steep loss in rental income offset by aggressive cost control to maintain an even financial keel. Their report is attached.

SUP OFFICER'S WAGES

Article XV, Section 1(a) of the SUP Constitution states that "The salaries and supplemental pay of [Union officers] shall be adjusted automatically on the same percentage basis whenever the membership has a percentage adjustment in wage and vacation pay for the Offshore Agreement." On July 1, 2020 members working under the Offshore Agreement at Matson Navigation Co. received a three and a quarter (3.25%) percent increase. On October 1, 2020 members working aboard Company ships under the offshore agreement of APL Marine Services, received a three (3%) percent increase in wages and wage related items. Therefore as authorized by the Constitution and consistent with SUP past practice, a three and one-eighth (3.125%) percent increase in wages and wage related items for Union officers retroactive to October 1 is due and payable. Notice on the wages for officials, delayed until APL ratification was complete, will be published in the November West Coast Sailors.

HOLIDAYS AND HOLIDAY PARTY

Holiday Luncheon: After contact from member and agents both for and against, the long standing and popular SUP/MFOW holiday party is this year regrettably cancelled. After coordination with MFOW President and Welfare Plan Trustee Anthony Poplawski, the SUP Trustees agreed that that due various local government orders banning large gatherings during the pandemic, the risk to both health and continued operation of our hiring halls was too great. We hope to resume the normal festivities next year.

Veteran's Day: SUP hiring halls will be closed on Veteran's Day, Wednesday, November 11 which is an SUP contract holiday.

Thanksgiving: SUP hiring halls will be closed on Thanksgiving Day, Thursday, November 26 which is an SUP contract holiday.

Christmas Eve: Since Christmas Eve is a Mainland ILWU holiday, SUP halls in Seattle, San Francisco and Wilmington will be closed on Tuesday, December 24, in accordance with the Agreements with APL and Matson. It is a holiday for vessels in Pacific Coast ports on that day and for those working under the SUP Maintenance agreements. Christmas Eve is not an ILWU holiday in Hawai'i, however, the Honolulu Branch will close at noon.

Christmas Day: All SUP halls will be closed on Wednesday, December 25, in observance of Christmas Day, an SUP contract holiday.

New Year's Day: SUP hiring halls will be closed on New Year's Day, Wednesday, January 1, 2021 which is also an SUP contract holiday.

ACTION TAKEN

M/S (Crockett, Fuentes) to approve renewal of APL RTS settlement agreement. Carried unanimously.

M/S (Reed, Bacay) to concur in the balance of the President's Report. Carried unanimously.

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**SAILORS' UNION OF THE PACIFIC
QUARTERLY FINANCE COMMITTEE'S REPORT
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

The Quarterly Finance Committee, duly authorized to act by the regular meeting at Headquarters on November 9, 2020 hereby submits the following report

SUMMARY OF CASH AND INVESTMENTS

GENERAL FUND	\$ 2,693,917.33
POLITICAL FUND	22,317
STRIKE FUND	1,293,730.99
TOTAL CASH & INVESTMENTS 3rd QUARTER 2020	\$ 4,009,965.65

GENERAL FUND

INCOME

Dues, Initiation, Assessments	\$ 110,665.00
Interest	33,243.730
Donations - <i>West Coast Sailors</i>	775.00
Joint Committee & Hiring Hall	187,408.39
Advertising & Promotion	45.00
Miscellaneous Income	180.25
Reimbursed Administrative Expenses	31,251.84
Contributions	595.00
TOTAL INCOME	\$ 364,164.21

EXPENSE

Auto & Travel	\$ 1295.00
Rent	21,098.75
Postage, Printing & Office	6,646.48
Telephone	5,049.38
<i>West Coast Sailors</i> Publishing Expense	14,521.87
Per Capita Taxes	14,363.00
Salaries & Payroll Taxes	191,958.02
Office Workers Pension	7,248.80
Insurance	80,019.52
Meeting/Committee & Neg. Conference & Conv.	760.00
Investment Expense	2,353.56
Officials Pension	2,338.00
Subscription	90.00
Accounting	3,300.00
Advertising & Promotion	1,370.00
Filing Fees	10.00
Bank Charges	329.00
TOTAL EXPENSE	\$ 352,751.38

BUILDING CORPORATION

INCOME

Rents	\$ 158,262.923
Miscellaneous Income	1,500.00
TOTAL INCOME	\$ 159,762.92

EXPENSE

Building Service & Utilities	\$ 27,515.67
Office Equipment	927.00
Repairs & Maintenance	1,361.13.
Insurance	13,122.32
Salaries & Payroll Taxes	24,598.61
Pension	528.00
Auto	101.45
Accounting	2,200.00
Filing Fee	10.00
Miscellaneous	11.00
TOTAL EXPENSE	\$ 70,375.18

POLITICAL FUND

INCOME

Contributions	\$ 4,120.00
TOTAL INCOME	\$ 4,120.00

EXPENSE

Contributions	\$ 6,500.00
TOTAL EXPENSE	\$ 6,500.00

NET INCOME(LOSS) 3rd QUARTER **\$ 98,420.570**



STUDY: Five Basic Health Habits Cause Large Increase In Lifespan

That life is uncertain is a cliché, and much is beyond our control when it comes to health. But now a large study follow-up Harvard study recently confirmed earlier findings that five healthy habits — eating a healthy diet, exercising regularly, keeping a healthy body weight, not drinking too much alcohol, and not smoking — during middle-age years may increase those years lived free of Type 2 diabetes, cardiovascular disease, and cancer. The new study was led by Harvard's T.H. Chan School of Public Health.

erate alcohol intake as up to one drink for women and up to two for men.)

They found that women who practiced four or five of the healthy habits at age 50 lived an average of 34.4 more years free of diabetes, cardiovascular diseases, and cancer, compared to 23.7 healthy years among women who practiced none of these healthy habits. Men practicing four or five healthy habits at age 50 lived 31.1 years free of chronic disease, compared to 23.5 years among men who practiced none. Men who were current heavy smokers, and obese men and women had the lowest disease-free life expectancy.

With all the focus on COVID-19 prevention and treatment, there is perhaps a much greater long-term health risk in well-known chronic diseases. To the extent that the science increasingly indicates that the onset of such disease can be delayed or prevented, mariners should give themselves credit for maintaining a health lifestyle. Being subject to the other stresses and dangers of the profession makes it even more important that attention be given to the habits of good health.

1. **Healthy Diet**
2. **Healthy Weight**
3. **Regular Exercise**
4. **Low Alcohol Intake**
5. **No Smoking**

“Previous studies have found that following a healthy lifestyle improves overall life expectancy and reduces risk of chronic diseases such as diabetes, cardiovascular disease, and cancer, but few studies have looked at the effects of lifestyle factors on life expectancy free from such diseases,” said first author Yanping Li, senior research scientist in the Department of Nutrition. “This study provides strong evidence that following a healthy lifestyle can substantially extend the years a person lives disease-free.”

The researchers looked at 34 years of data from 73,196 women and 28 years of data from 38,366 men participating in the two studies. (Nurses' Health Study and the Health Professionals Follow-up Study. Healthy diet was defined as a high score on the Alternate Healthy Eating Index; regular exercise as at least 30 minutes per day of moderate to vigorous activity; healthy weight as a body mass index of 18.5-24.9 kg/m²; and mod-



Dispatcher's Report

Headquarters — OCTOBER 2020

SUP Officers' Wages

Consistent with the full disclosure intent of Article XV, Section 3 of the SUP Constitution and following the ratification of APL wage increases, the following table reflects the Union officer wage scale as required by the Section 1 of the same article of the Constitution.

Weekly Wages for SUP officers effective October 1, 2020:

President/Secretary-Treasurer.....	\$1,807.61
Vice President/Assistant Secretary-Treasurer	\$1,688.29
Branch Agent.....	\$1,688.29
Business Agent.....	\$1,658.03

Benefits: Medical and dental coverage (SUP Welfare Plan); four weeks vacation per year, participation in the SIU-Pacific District Pension Plan and a \$100 per week auto allowance. SUP officials can contribute to the SUP 401(k) Plan. No contributions are made for SUP officials to the SUP Money Purchase Pension Plan.

Deck	
Bosun	1
Carpenter	0
MM	5
AB	8
OS.....	5
Standby S.F.	8
Total Deck Jobs Shipped	27
Total Deck B, C & D Shipped.....	21
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.....	27
Total B, C, & D Shipped-All Depts....	21
Total Registered "A"	18
Total Registered "B".....	35
Total Registered "C"	8
Total Registered "D"	7
Dispatcher's Report — M/S (Fuentes	
-several) to accept and publish in	
West Coast Sailors.	



SUP Quarterly Finance Committee Members: Thomas Shafer #19317, John Crockett 4793, Dennis Sumague #7465, Lymwel Gador #3024 and James Linderman #4126.

SUP BRANCH REPORTS

HONOLULU

October 2020

Shipping:

Shipped the following jobs in the month of October: 1 Bosn steady, 4 AB Day steady, 2 AB Watch steady, 0 AB Watch relief, 1 AB Maint, and 1 OS Watch steady. The shipping jobs were filled by 3A cards, 5 B cards, 1 C card, and 0 D cards. Standby jobs: Shipped 16 standby jobs. The standby jobs were filled by 2 A cards, 12 B cards, 1 C card, and 1 D cards.

Registered:

10 A cards, 19 B cards, 5 C cards, 3 D cards

Agents Report:

As I write this Joe Biden has been elected the 46th president of the United States. Not only did he win the electoral vote 290 to 214, he also won the majority of votes by 5 million votes. I want to give a big Mahalo to all the members of the SUP who voted, even if they voted for Trump. I don't expect Trump to concede gracefully as most losers would, but after he has exhausted all of his legal challenges, Joe Biden will be sworn in as the 46th president of the United States in January of 2021.

I want to wish everyone a very Happy Thanksgiving and a Merry Christmas. I know it will be hard, but please try and limit the number of guests at your holiday meals and parties. The Covid-19 virus is still with us and we must try and stop the spread of it until there is a safe vaccination for all people.

Remember to check your documents and anything with less than six months you should start the renewal process. You have to email all your documents in PDF format to your local regional USCG office prior to the expiration date. The Honolulu USCG email address is: rechonolulu@uscg.mil.

Michael Dirksen

Aboard at Ship's Helm

A young steersman,
steering with care.
A bell through fog on a sea-coast
dolefully ringing,
An ocean-bell — O a warning bell,
rock'd by the waves.
O you give good notice indeed,
you bell by the sea-reefs
ringing,
Ringing, ringing, to warn the ship
from its wreck-place.
For, as on the alert, O steersman,
you mind the
bell's admonition,
The bows turn, —
the freighted ship,
tacking, speeds away
under her gray sails,
The beautiful and noble ship, with
all her precious wealth,
speeds away gaily and safe.
But O the ship, the immortal ship!
O ship aboard the ship!
O ship of the body —
ship of the soul —
voyaging, voyaging,
voyaging.

—Walt Whitman

WILMINGTON

October 2020

Shipping:

Bosun: 4, AB/W: 12, AB/D: 3, OS/ STOS: 2 GVA/GUDE: 0. Standby: 49. Total Jobs Shipped: 73.

Registered:

A: 27, B: 39, C: 4, D: 7

Agents Report:

All ships sailing in and out running smooth occasional clarifications.

Shoreside Bosun, Gary Gelfgren and the standby gang doing a great job.

When your dispatch is complete, clean your room before leaving the ship.

Keep your dues current and be sure to check your documents, dues and document must be current to ship. When you get new documents let me know so I can update your records. This is your Union participate, come to meetings, read The West Coast Sailors and stay informed, your vote is your voice, we cannot vote if we don't have a Quorum.

All members must adhere to Covid-19 safety precautions (wear a mask wash your hands practice social distancing) when possible. The number of new cases of COVID 19 are on the rise. Members dispatched to APL ships are restricted to ship when you sign on.

Leighton Gandy

SEATTLE

October 2020

Shipping:

2 Patriot Boatswains went to 2 B members; 2 Patriot AB's shipped, filled with 2 B cards; 1 OS to a C card; 1 AB/Watch to an A; Matson called for 9 Standby AB's and were filled with 6 A, and 3 B.

Registered:

3 A cards for a total of 9, 10 B cards for a total of 18, 3 C cards for a total of 7, 2 D cards for a total of 10

Agents Report:

If you are renewing with the Coast Guard and do not have reliable computer capabilities, please bring in your CG-719B applications and CG-719K physicals to the Hall so I can scan and submit them for you. So far, all the Med Cert applications I have turned in have been received by the Coast Guard, evaluated, mailed, and back in hand within 15 days of submission. In the few discrepancies with both STCW med certs and MMC's, evaluators have identified errors in forms and have promptly emailed applicants to advise of needed corrections. Those delays have not changed normal timeline. In short, the NMC has found their technology sea legs and I have been impressed with their recent efficiency.

This month I represented the membership at the MLKCLC Delegates meeting and the Olympia Port Commissioners meeting. On the table of the OPC meeting was a five-year lease proposal to allow RRF Ship's Admiral Callaghan and Cape Orlando to lay in Olympia. This lease was loudly opposed by un-informed local citizens. The SUP, along with others in the Maritime Trades, hoisted a last-minute informational campaign to put to rest misconceptions of the Ready Reserve Fleets role in national security. The proposal passed 2 to 1 to accept.

Brendan Bohannon

VICE PRESIDENT'S REPORT

October 2020

Ships checked — November

President Wilson — Mike Henderson, delegate. Ship is out of the shipyard and back on the EX1 run. Several crew members getting off in late November.

APL Gulf Express — Christian DeMesa, delegate. Three members dispatched in November. Clarification on letting go and tying up. Ed Zepeda, bosun.

Manukai — Christian Ortiz, delegate. Completed ABS and Cosast Guard inspections SUP style. Nick Manessiotis, bosun.

USNS Sisler — Alex Glosenger, delegate. On the hook in Diego Garcia, things running smoothly. Xerxes Cunanan, bosun.

USNS Dahl — Randy Cruz, delegate. Ship just arrived in Jacksonville Florida, expected to be in NJ shipyard December—March. Sault Townsend, bosun.

USNS Watson — John Fearon, delegate. Next round of reliefs in late November. Juancho Gutierrez, bosun.

USNS Soderman — Majority of crew recently joined ship in September. Things running smoothly with Jeff Nicholas as bosun.

SLNC PAX — Frank Duffin, delegate. Ship completed a yard period and looking better than ever. Back on the Japan—South Korea—Marshall Island run. Crew changes coming in December.

Cape V's and T's — All five ships in Beaumont, Texas. Please remember the importance of being properly relieved.

Cape Horn & Henry — Docked in San Francisco, ROS. Possible activations by end of year. Paul Fuentes and Noel Isumaru, bosun.

Cape Hudson — Andrew Montoya, delegate. Ship returned from a long and difficult Pacific Defender mission. Phil Coulter, bosun.

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

Several members dispatched to Chevron ships recently, expect a rigorous and long physical when starting with Chevron.

I represented the SUP at the monthly Alameda and San Francisco Labor Council meetings. Congratulations to all those that voted in this year's elections. It is your civic duty and paramount to the labor movement, that we continue to show up and Vote!

Matt Henning

BUSINESS AGENT'S REPORT

October 2020

President Wilson — Michael Henderson, delegate. In Cosco Zouchan Chinese shipyard for the past 3 weeks. We had an incident with one our own slipped fell and broke his femur. Gang rigged the stokes litter to move him off the ship safely. Last report brother is resting under medication for pain and swelling. John Duran, Bosun.

President Truman — In at Oakland Berth 56. Elixir Ponce, delegate. Sailed for the Far East with no beefs. A reminder when filling out form for reliefs. If not filled out correctly can cause you not to make the next trip. Take your time reading the form. Gabriel Sipin, Bosun

Mahimahi — Mick McHenry, delegate. Ship had a COVID scare arriving in Honolulu when one steady standby worker tested positive according to an email that was sent to the ship. The email also stated testing was being done to ensure safety precautions are in place. P&R shoregang tested then self-quarantined at home awaiting results. Later cleared. Remoni Tufono, Bosun

RJ Pfeiffer — Isnin Idris, delegate. last minute quit in Seattle with no time to clear the COVID test. Job filled in San Francisco. On the southern triangle with Robert Morgan, Bosun.

Maunawili — Duke Maringer, delegate. On the Northern triangle for now. Rumors of a trip to China sometime in the beginning of the year. Subject to change Rhonda Benoit, Bosun.

Lurline — Ship checked in with little or no beefs.

Mokihana — Matson called for a Gang, James Salera delegate ship sailed for Honolulu the schedule shows us making one trip, subject to change. Fernando Rigonan, Bosun.

Cape Hudson — Andre Montoya delegate. In at Pier 50, back from a 4-month mission to the Far East. Issues with a member who quit at sea. Never seen that before. Sailor played passenger, put a strain on the gang. Otherwise mission was successful. SUP did a bang-up job once again. Phil Coulter ran the gang as Bosun.

Cape Henry — ROS in San Francisco at Pier 96. Talk of activation for a mission sometime in December. Noel Isumaru Bosun.

Cape Horn — ROS in San Francisco. Paul Fuentes, Bosun.

Cape Orlando — ROS in Alameda. Taufiq Wasel, Bosun

Admiral Callaghan — ROS in Alameda. Joel Schor, Bosun

San Francisco Bar Pilots Pier 9 — Mike Koller delegate outside training in full swing, must be able to work in all adverse conditions. This job is not for everyone, many are called few are chosen. Leo Moore Dock Bosun.

Reminder when up-grading in Seniority please send ONLY copies of sea service, work record. When it's done we shred all documents. Also helped dispatch and worked in the front office.

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

Roy Tufono