



West Coast Sailors

Official Organ of the Sailors' Union of the Pacific

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Friday, February 25, 2005

Social Security privatization threatens American workers

As President Bush crisscrosses the country promoting his still ill-defined plan to reform and privatize Social Security, opposition from organized labor, senior interest groups, Democrats and many Republicans continues to grow.

President Bush asserts that without "reforming" and privatizing Social Security, the system faces a \$10 trillion shortfall. As the *New York Times* stated on its editorial page on January 3:

"The \$10 trillion figure is the

essentially bogus, so is the claim that Social Security is in crisis. The Congressional Budget Office estimates over a 75-year time frame Social Security's shortfall is expected to be \$2 trillion, while the Social Security trustees estimate \$3.7 trillion.

According to the AFL-CIO, privatizing Social Security would cut guaranteed benefits by 40% even for workers who don't choose private accounts. As a result, the average retiree would lose \$152,000 in retirement benefits. For people who choose private accounts, the government would take back 70 cents in retirement benefits for every dollar in their accounts on top of the 40% benefit cut.

In addition to leaving many retirees in poverty, privatizing Social Security would explode the national deficit, saddling American taxpayers with an estimated \$4.9 trillion in debt in the first 20 years alone.

closest you can get to pulling a number out of the air. Make that the ether. Starting last year, as the groundwork was being set for the emerging debate, the Social Security trustees took the liberty of projecting the system's solvency over infinity, rather than sticking to the traditional 75-year time horizon. That world-without-end assumption generates the scary \$10 trillion estimate, and with it, Mr. Bush's putative rationale for dismantling Social Security in favor of a system centered on private savings accounts. The American Academy of Actuaries, the profession's premier trade association, objected to the change. In a letter to the trustees, the actuaries wrote that infinite projections provide "little if any useful information about the program's long-range finances and indeed are likely to mislead any (nonexpert) into believing that the program is in far worse financial condition than is actually indicated."

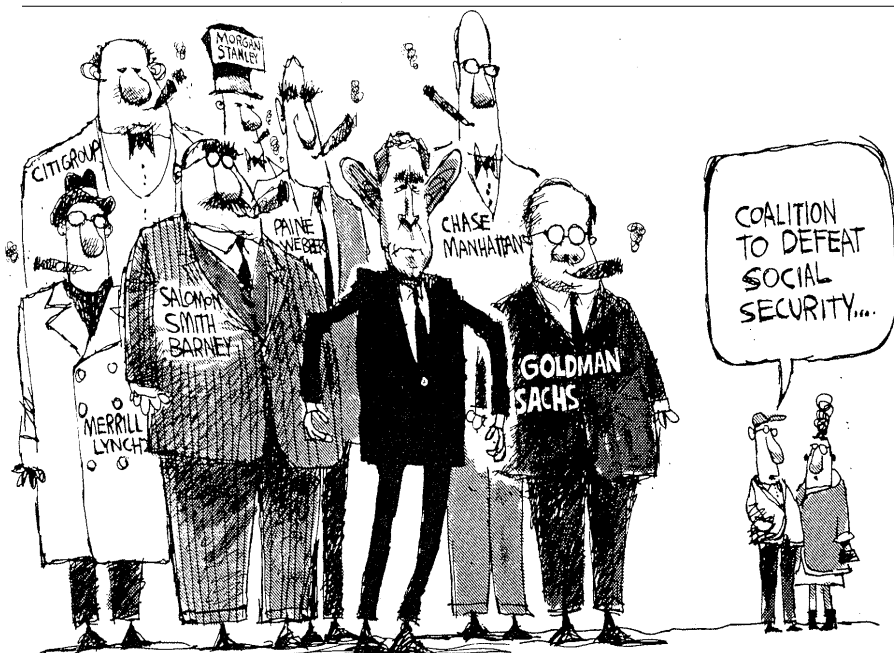
If the \$10 trillion figure is es-

As the *Times* editorial further states:

"In effect, the administration's plan would get rid of the financial burden of Social Security by getting rid of Social Security. The plan shifts the financial risk of growing old onto each individual and off of the government —where it is dispersed among a very large population, as with any sensible insurance policy. In a privatized system, you may do fine, but your fellow retirees may not, or vice versa.

"The only hands-down winner would be Wall Street, as fees to manage millions of accounts poured in. (Those fees, not incidentally, would come out of your return.) Current stockholders would also stand to benefit, as increased demand pushed up stock prices, giving existing owners a gain at the expense of newcomers who would be forced to buy high. The affluent, who could afford professional investing advice, would

continued on page 4



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New carrier slated to enter Hawai'i trade this year

OceanBlue Express headed by former Matson CEO

As reported by the Norwegian publication *TradeWinds* this month, a new carrier will enter the Hawai'i trade this year headed by C. Bradley Mulholland, former President and CEO of Matson Navigation Company.

OceanBlue Express, Inc., headquartered in San Ramon, California, in a venture backed by Norwegian industrialist Kjell Inge Rokke, head of Aker Kvaerner ASA, expects —according to *TradeWinds*— to begin service with one vessel in August.

OceanBlue will acquire its ships from Kvaerner Philadelphia Shipyard which has two container ships under construction. Both are sisterships to the *m/v Manukai* and *m/v Maunawili* purchased by Matson in 2003 and 2004 from Kvaerner.

According to *TradeWinds* writer Bob Rust, start-up for the Oakland-Los Angeles-Honolulu service is set for August. The second ship would begin operations in June 2006 and there is an option for the third vessel.

Rust states that "some observers feel the plan is aimed at building a fire under a reluctant Kvaerner customer, Matson. In particular, the recruitment of Mulholland is shot across Matson's bow."

Rust reports that OceanBlue intends to price its services 12 percent under the market and that the company "means to outsource where possible" which includes labor. According to Rust, OceanBlue "aims to contract out the management of its ships, avoiding any permanent commitments to negotiate wages with one Union."

TradeWinds also reports that industry observers suspect that initially OceanBlue will be owned by Rokke's 21-year-old son Kristian Mosen Rokke who is a U.S. citizen.

Wal-Mart denies APL takeover bid rumors

Wal-Mart Stores, Inc. has denied that the anti-Union discount colossus based in Bentonville, Arkansas, is interested in acquiring American President Lines, part of Singapore-based Neptune Orient Lines (NOL). The rumored takeover was first reported by the *Arkansas News Bureau* and was covered in the December 2004 *West Coast Sailors*.

Wal-Mart Corporate Communications Director Bill Wertz, told the maritime publication *TradeWinds*, "We stick to our core business—we don't buy manufacturers, we don't buy shipping lines."

NOL said in a statement that there is "no truth" that Wal-Mart is considering buying APL. However, Eva Ho, spokesperson for NOL's majority shareholder, Temasek Holdings, said, "We are not prepared to comment" on the bid.

An anonymous shipping executive quoted by *TradeWinds* said, "It sounds like a recipe for disaster but Wal-Mart could probably buy APL with loose change from a day's trading."

One out of every twelve dollars of turnover in the American retail economy goes through Wal-Mart's cash registers. The company has \$225 billion in capital. NOL, with 102 ships and 15 new vessels under construction is worth \$4.26 billion at current stock values.

If Wal-Mart did acquire APL, it would gain both the shipping operations and APL logistics. Some industry sources indicate that APL logistics may be the main or only target. This would fit in with Wal-Mart's drive to increase control of distribution.



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SUP Quarterly Finance Committee Report

**SUP QUARTERLY FINANCE COMMITTEE REPORT
FOR THE QUARTER ENDED DECEMBER 31, 2004**

The Quarterly Finance Committee, duly authorized to act by the regular meeting at Headquarters on January 12, 2005 hereby submits the following report:

SUMMARY OF CASH AND INVESTMENTS

General Fund	\$981,738.40
Political Fund	\$3,542.30
Strike Fund	\$1,293,730.99
Total Cash and Investments 4th Qtr. 2004	\$2,279,011.69

GENERAL FUND

Income:	
Dues, Initiation, Assessments	\$114,475.75
Interest	23,760.10
Donations - West Coast Sailors	3,055.00
Tanker & Joint Committee, Hiring Hall	106,768.87
Advertising & Promotion	80.00
Miscellaneous Income, Reimbursements, Fines	2.70
Reimbursed Administrative Expenses	15,602.10
Bequest	7,500.00
Contributions - General Fund	3,203.00
Total Income:	\$274,447.52

Expenses:

Auto & Travel	\$1,931.99
Rent	15,916.95
Postage, Printing & Office	7,995.11
Telephone & Telegraph	4,783.13
West Coast Sailors Publishing Expense	4,934.16
Per Capita	13,343.65
Salaries & Payroll Taxes	197,247.01
Office Workers' Pension	5,934.00
Insurance	24,165.17
Field Expense	5,878.50
Committee & Neg., Conference & Conv.	9,596.75
Investment Expense	1,329.71
Advertising & Promotion	1,620.00
Contributions	1,610.00
Legal & Accounting	17,675.00
Filing Fee	50.00
Officials Pension	66.24

Subscription	3,005.55
Total Expense:	\$317,082.92

BUILDING CORPORATION

Income:	
Assessments	\$3,116.00
Interest & Principle on Mortgage Notes	167,682.06
Rents	63,467.44
Total Income:	\$234,265.50
Expense:	
Building Services & Utilities	\$29,849.67
Repairs & Maintenance	16,349.37
Salaries & Payroll Taxes	14,110.97
Legal Expense	2,175.35
General Tax	11,572.93
Insurance	32,214.81
Total Expense:	\$106,273.10

POLITICAL FUND

Income:	
Contributions	\$3,820.00
Interest	93
Total Income	\$3,820.93
Expense:	
Contributions	\$1,500.00
Office Expense	95.00
Total Expense:	\$1,595.00

Net Income 4th Qtr	\$87,582.93
Net Income 1st Qtr	50,658.57
Net Income 2nd Qtr	(57,935.52)
Net Income 3rd Qtr	\$(3,234.41)
Year To Date	\$77,071.57

/s/ Romaine Dudley /s/ David McKeithen
/s/ Rafael Cooper /s/ Arthur Thanash
/s/ Curtis Dowling

ACTION BY THE MEMBERSHIP February 15, 2005. M/S/C—That we concur in the report of the SUP Quarterly Finance Committee and, as per past practice, publish in the West Coast Sailors. Carried unanimously.

SUP members commended by Foss

The following letter was sent to SUP Vice President Dave Connolly on February 9:

Dear Dave:

The contributions made to the Maritime community by SUP members are numerous and often taken for granted. The recent actions of four sailors—Mate Matthew Lingo, Engineer Cezar Mendoza, Deckhand Eric Weintraub and Tankerman Ed Chilbert—however, merit recognition.

Last Friday (2/4/05) the crew of the tug Richard Foss and its accompanying tank barge FDH 35-1, while bunkering an APL ship Oakland Inner Harbor berth 62 noticed an oil sheen in the water around the vessels. The master of the Richard, Captain Drew Aune, immediately notified Foss dispatch and then set about directing his crew, mentioned above, to respond to the mystery spill.

Within minutes Tankerman Chilbert had shut down the discharge to the ship and the crew began booming the tug and barge with the barge's harbor boom deployed by the barge's skiff. Once the two vessels were boomed, the men went about the task of inspecting the vessels to determine the source of the spill. Though initially suspecting the tug, barge and ship, no definable source could be found.

While awaiting the Coast Guard inspection results, the crew continually monitored the tanks of both vessels for fuel loss, set up a safety perimeter (checking ID's as mandated by Marsec 1 levels), kept the coffee hot and otherwise conducted themselves in a professional manner.

The Captain and crew continued their vigilance (over 7 hours) until the Coast Guard released the Richard, the FDH 35-

I and the APL Thailand from responsibility for the spill. Once this was done, the crew finished bunkering and aided the spill response companies' effort to clean up the spill response materials and retrieve the sections of boom.

The men are to be congratulated for their professional conduct, of which I was a personal witness to countless times over the period mentioned. Their courteous nature in dealing with numerous people on their vessels and their tireless efforts to aid all who asked exemplify the professionalism of their trade.

I am proud to work with such men at Foss and I trust you will join me in saluting them and their peers on their continued contributions to the marine industry and the San Francisco community at large.

Sincerely,
Tim Engle, Regional Director
Foss Maritime Company

SUP Meetings

These are the dates for the regularly scheduled SUP meetings in 2005:

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

*Tuesday

Final Departures

Marion Carl Maloy, Book No. 5814. Born in California in 1926. Joined SUP in 1946. Died in Carson, California, December 30, 2004. (Pensioner)

Ho Young Chung, Book No. 4703. Born in Hawai'i in 1922. Joined SUP in 1952. Died in San Francisco, California, January 15, 2005. (Pensioner)

Frank Tiller, Book No. 3093. Born in Tennessee in 1916. Joined SUP in 1945. Died in Nashville, Tennessee, January 12, 2005. (Pensioner)

Martin L. Birdsell, Book No. 5712. Born in California in 1936. Joined SUP in 1967. Died in Santa Barbara, California, January 16, 2005. (Pensioner)

Lauro S. Ynacay, Book No. 236. Born in Oregon in 1933. Joined SUP in 1956. Died in Oregon, January 19, 2005. (Pensioner)

Robert Lane, Book No. 3413. Born in Oregon in 1917. Joined SUP in 1941. Died in San Rafael, California, January 23, 2005. (Pensioner)

Donald Gibson, Book No. 2625. Born in Iowa in 1927. Joined SUP in 1943. Died in Las Vegas, Nevada, January 22, 2005. (Pensioner)

James R. Harrison, Book No. 5816. Born in Oklahoma in 1928. Joined SUP in 1967. Died in Altus, Oklahoma, January 24, 2005. (Pensioner)

Michael Jordanides, Book No. 4314. Born in Connecticut in 1925. Joined SUP in 1961. Died in Ansonia, Connecticut, February 1, 2005. (Pensioner)

Support the SUP Political Fund



West Coast Sailors

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Maritime Security Program fully funded under Bush's Fiscal Year 2006 budget

An expanded and upgraded ten-year Maritime Security Program (MSP) that will strengthen America's security, defense and economic well being is fully funded under President Bush's Fiscal Year (FY) 2006 budget that was sent to Congress on February 7. The lion's share of the Bush Administration's overall budget request of \$294 million to fund Maritime Administration (MarAd) programs for the upcoming fiscal year earmarks \$156 million for the new MSP, which will expand the program's fleet from 47 to 60 commercially active and militarily useful vessels when the program goes into effect on October 1 of this year. The FY 2006 budget request represents a \$58 million increase over last year's budget to cover operating costs of 13 additional ships in the expanded MSP fleet.

The additional MSP vessels are required "to meet national defense and other security requirements, and to maintain a U.S. presence in international commercial shipping," the President's budget stated.

The budget request also emphasized MarAd's critical role in managing the Maritime Security Program, and other programs, including the Voluntary Intermodal Sealift Agreement (VISA) program and the ships in the government's Ready Reserve Force (RRF) fleet "to strengthen the U.S. maritime transportation system—including infrastructure, industry and labor—to meet the economic and security needs of the Nation."

The MSP, VISA and the RRF fleet programs "assure Department of Defense (DOD) access to ships and crews during DOD mobilizations, and helps ensure the efficient flow of military cargo through commercial ports," the budget message said. "MarAd's contribution to Operating Enduring Freedom and Operation Iraqi Freedom underscores the critical importance of readiness to meet national security needs."

The Bush Administration also asked Congress to increase MarAd's operations and training funding (which is lumped into a single category) from \$107 million in FY 2005 to \$114 million in the upcoming fiscal year to support the U.S. Merchant Marine Academy, six State Maritime Schools, but funding for general agency operations would be decreased under the proposed budget.

Of the \$107 million, \$64 million is allotted to the U.S. Merchant Marine Academy, including \$17 million for capital improvement projects, \$11 million to State Maritime Schools, and \$39 million to fund MarAd operations. Funding for the U.S. Merchant Marine Academy and State Maritime Schools would be increased by \$8 million and \$1 million, respectively, under this year's proposed budget, while funding for general MarAd operations would decrease by \$4 million.

"MarAd's mariner education and training programs help provide skilled U.S. merchant marine officers capable of serving both defense and commercial transportation needs," the budget message stated. "All three programs support national security, mobility, global connectivity, and environmental stewardship."

For the fifth consecutive year, the Administration has not sought any new funding for MarAd's Title XI Ship Loan Guarantee program. However, \$4 million is being requested to enable MarAd to administer existing loan guarantees.

MarAd will continue to manage the Government's Ready Reserve Force fleet. An estimated \$221 million will be available in FY 2006 to fund RRF activities, which represents a slight increase from last year's estimated funding level of \$220 million. The fleet will continue to serve in Operation Iraqi Freedom, and the initial activation of RRF vessels in this operation "was the fastest and most efficient in U.S. history," the budget message said.

In addition, the budget requests some \$2.9 million for MarAd's initiative to increase the use of water transportation to mitigate surface transportation congestion, and \$1.8 million so that MarAd can continue to ensure that Federal agencies comply with U.S. cargo preference laws and to "preserve and expand international cargo carrying opportunities for U.S.-flag vessels."

MarAd's budget was sent to Congress as part of the Department of Transportation's overall budget request of \$59.5 billion, which represents a slight increase over last year's \$58.7 billion budget.

Public Law 480 Food Aid Programs

Proposed funding for the U.S. Department of Agriculture's (USDA) P.L. 480 food aid programs is down considerably from levels sought in the Administration's FY 2005 budget request.

The largest cut in P.L. 480 program funding focuses on reducing P.L. 480 Title II grants from \$1.185 billion in FY 2005 to \$885 million for the upcoming fiscal year, thereby registering a \$300 million cut from last year's budget request. However, the budget message said the reduction is equal to the level of funding being requested in the U.S. Agency for International Development's (USAID) International Disaster and Famine assistance account which is to be administered separately by USAID.

The President's request for \$80 million in funds to support Title I P.L. 480 grants is also down from last year's budget proposal of \$86.4 million. But, this program funding "should remain unchanged from the 2005 current estimate of \$145 million because of the availability of unobligated carryover funds and projected MarAd reimbursements," the budget request stated. Title I commodity assistance during FY 2006 is projected to be 540,000 metric tons, according to the budget message.

In contrast to the P.L. 480 food aid programs, the President is requesting a 15 percent increase in funding above the 2005 enacted level for the McGovern-Dole International Food for Education and Child Nutrition Program, the budget message stated.

"During 2005, the total level of assistance should reach \$91 million, based on enacted appropriations and anticipated reimbursements from MarAd," the budget proposal said, adding that this level is expected to support almost 120,000 metric tons of commodities.

For 2006, the President is requesting \$100 million, which will be supplemented by an additional \$6 million of anticipated cargo preference reimbursements, according to the budget request. In total, it was projected that these funds will provide for the donation of about 140,000 metric tons of commodities.

Budget Proposes Reinstating Seaway Tolls

The Bush Administration is requesting \$16.3 million to fund the St. Lawrence Seaway Development Corporation for operations, maintenance, and capital infrastructure improvements of the U.S. portion of the St. Lawrence Seaway. The request is up slightly from last year's \$16 million funding level.

However, a significant change in policy is being proposed this year through the reestablishment of tolls to be paid by Seaway users. Commercial tolls are projected to produce \$8.3 million in revenues during FY 2006, while the remaining \$8 million would come out of the Harbor Maintenance Trust Fund.

A legislative proposal to return to the toll system will be sent to Capitol Hill during the current Congress, according to the budget message.

USCG Budget Increased By 11.4 Percent

President Bush requested \$6.9 billion to fund U.S. Coast Guard (USCG) operations during FY 2006, which represents an 11.4 percent increase over the FY 2005 funding level of \$5.17 billion.

The budget request includes \$1.9 billion for the Coast Guard's Ports, Waterways, and Coastal Security mission to fund a number of initiatives including the use of high-speed boats in ports with liquefied natural gas (LNG) terminals and continuing implementation of the Automatic Identification System to track seagoing vessels and to enhance Maritime Domain Awareness.

The proposed budget also includes \$966 million for the Coast Guard's Deepwater Acquisition Project, a \$5.4 million increase for the Container Security Initiative that pre-screens cargo before it enters U.S. ports, and an \$8.2 million increase for the Customs Trade Partnership Against Terrorism program which supports partnerships with U.S. importers to improve cargo security.

Federal Maritime Commission

Proposed funding for Federal Maritime Commission operations and programs is up slightly from last year's \$19 million funding level. The President is requesting \$20.5 million to fund the FMC during FY 2006.

Source: AMC Washington Letter

Senator Lott to chair Surface Transportation and Merchant Marine Subcommittee

Senator Trent Lott (R-MS) has been appointed to chair the Surface Transportation and Merchant Marine Subcommittee of the Committee on Commerce, Science and Transportation during the 109th Congress, according to a statement released by his office on February 8.

Senator Lott, who chaired the Aviation Subcommittee in the last Congress, said he welcomed the responsibility of overseeing improvements in the administration of surface and maritime transportation. Port security will also continue to be an important issue. "We want to make certain that our ports are not vulnerable," Senator Lott said.

Source: AMC Washington Letter

Cosco places first 10,000 TEU order

China Ocean Shipping (Group) Company has become the first ship owner to order giant container ships with capacity of 10,000 TEU. The container division of China's state owned shipping enterprise, Coscon, has placed orders for four vessels with Hyundai Heavy Industries in South Korea. Total contract value is \$509.6 million and the ships are scheduled for delivery in August 2008.

Hyundai's main rival in the sector, Samsung Heavy Industries, won orders for 9,200 TEU ships from SeaWan of Canada in addition to five 8,100 TEU ships from the same owner.

Late last year Coscon took delivery of a fifth 8,000 TEU vessel from HHL. In a separate development, Cosco Group president and chief executive Wei Jiafu held discussions last month with Ho Ching, executive director and chief executive of Singapore government's Temasek Holdings. Temasek fully owns container terminal operator PSA International, which is Cosco's partner in a terminal joint-venture in Singapore. A Cosco statement revealed that the two companies discussed the possibility of strengthening their partnership in the terminal operations and ship repair sectors.

New members of House Transportation and Infrastructure Committee selected

Eleven Republicans and five Democrats have been selected to serve on the House Transportation and Infrastructure Committee during the 109th Congress.

The new Republican members are: Representatives Tom Osborne of (R-NE); Kenny Marchant (R-TX); Michael E. Sodrel (R-IN); Charles W. Dent (R-PA); Ted Poe (R-TX); David G. Reichert (R-WA); Connie Mack (R-FL); John R. "Randy" Kuhl, Jr. (R-NY); Luis G. Fortuno (R-PR); Lynn A. Westmoreland (R-GA); and, Charles W. Boustany, Jr. (R-LA).

New Democrats on the Committee are: Representatives Ben Chandler (D-KY); Brian Higgins (D-NY); Russ Carnahan (D-MO); Allyson Y. Schwartz (D-PA); and, John T. Salazar (D-CO).

Subcommittee assignments were also approved at the Committee's February 2 reorganization meeting. The Subcommittee on Coast Guard and Maritime Transportation will continue to be chaired by Representative Frank A. LoBiondo (D-NJ). The Ranking Democrat is Representative Bob Filner (D-CA).

The Republican Subcommittee members are: Representatives Howard Coble (R-NC); Wayne T. Gilchrest (R-MD); Peter Hoekstra of (R-MI); Rob Simmons (R-CT); Mario Diaz-Balart (R-FL); Connie Mack (R-FL); Luis G. Fortuno (R-PR); Charles W. Boustany, Jr. (R-LA); and, Don Young of Alaska (ex officio). Democratic members are: Corrine Brown (D-FL); Gene Taylor of (D-MS); Juanita Millender-McDonald (D-CA); Michael Honda (D-CA); Anthony Weiner (D-NY); Brian Baird (D-WA); and James Oberstar of Minnesota (ex officio).

Representative Don Young will continue to chair the full Transportation and Infrastructure Committee, and Representative James L. Oberstar is the Committee's Ranking Democrat.

Source: AMC Washington Letter

SUP Honor Roll

Voluntary contributions from the membership to the following funds:

Organization/ General Fund

West Coast Sailors

*In lieu of dues increase.

Brian Burns	20.00*	Alfred Anderson	50.00
Stephen Campbell	50.00	Al Byoff	25.00
Frank Dufek	20.00*	Thomas Casynn	100.00
Art Garrett	50.00*	Richard Chung	25.00
Robert Greene	40.00	Donald Cossett	25.00
Philip Howell	20.00	Jay Dillon	20.00
Sedek Idris	20.00*	Robert Doyle	25.00
Eli Lalich	50.00*	Romaine Dudley	20.00
Terrance O'Neill	20.00*	Juan Gonzalez	10.00
		Robert Greene	50.00
		Melrae Hanly	10.00
		William Holladay	25.00
		Arne Jakobsen	25.00
		Francis Kim	100.00
		Angelo Loffa	25.00
		Joseph Muir	25.00
		John Nannini	25.00
		Erik Pettersson	25.00
		Earl Phillips	25.00
		George Pope	35.00
		Jack Post	25.00
		Michael Potenti	30.00
		Rizal Rillo	25.00
		Armando Rodriguez	25.00
		Angelo Rossana	25.00
		Francis Smith	25.00
		Randy Tini	25.00
		Carl Walters	25.00
		Michael Webb	25.00

Political Fund

Jay Dillon	50.00
Frank Dufek	20.00
David Eriksen	100.00
Barry Fisher	10.00
Paul Fuentes in memory of Chester Hazel	20.00
Art Garrett	50.00
Charles Givens	10.00
Robert Greene	50.00
John Hamann	20.00
Isnin Idris	100.00
Mike Koller	80.00
Eli Lalich	100.00
Hans Lilledahl	50.00
Angelo Loffa	25.00
Gunnar Lundeberg	100.00
Terry Monroe	10.00
Harry Naole	20.00
Jose Obsuna	20.00
Erik Pettersson	25.00
Jesper Pfeil	20.00
Michael Potenti in support of our troops	50.00
Mike Powell	50.00
Paul Purugganan	10.00
Rich Reed	20.00
Chris Rogers	40.00
John Savage	40.00
Gregg Schauff	20.00
Greg Smith	20.00
Tulilo Tautala	30.00
Ivar Thorbjornsen	20.00
Richard Tracy	15.00
Louie Urban	20.00
Dan Ycoy	20.00

Dues-Paying Pensioners

Rafael Cooper	Book #4687
Romaine Dudley	Book #2593
Duane Hewitt	Book #5748
Knud Jensen	Book #3940
John Jewett	Book #4291
Tony Jones	Book #4305
Kaj E. Kristensen	Book #3120
Eli Lalich	Book #4062
Gunnar Larsen	Book #3516
John McKeon	Book #6456
Joseph Napier	Book #2299
John Pedersen	Book #3834
John Perez	Book #3810
Cliff Rouleau	Book #3144
Ralph Senter	Book #7323
Jack Stasko	Book #7430

Rail Unions form coalition

For the first time in 20 years, several rail labor Unions have teamed up to bargain as one voice with major U.S. railroads. On January 4, the Teamster Rail Conference's Brotherhood of Locomotive Engineers and Trainmen, the Brotherhood of Maintenance of Way Employees Division (BMWED), the Brotherhood of Railroad Signalmen, American Train Dispatchers of America, National Conference of Firemen, Oilers, Sheet Metal Workers International Association and International Brotherhood of Boilermakers announced they formed the Rail Labor Bargaining Coalition to coordinate contract negotiations with the National Carriers' Conference Committee, which represents 32 U.S. railroads, including five Class I carriers.

Representing about 85,000 rail workers, the seven Unions plan to develop a unified contract negotiating strategy and sign an agreement only if all coalition members concur with terms.

"Even though these Unions work in a variety of crafts, they are united in their demands for job security, better wages and safer working conditions," said Teamster International Vice President John Murphy in a prepared statement.

The unified front will enable the Unions to restore balance to contract negotiations, coalition members believe.

"This coalition will prevent the carriers from whipsawing Unions, large and small alike, and will strengthen all of rail labor at negotiations," said BMWED President Freddie Simpson.

Transportation secretary would have sole authority over U.S. cargo preference laws under Inouye bill

One of the first maritime-related bills dropped into the legislative hopper in the new 109th Congress was by Senator Daniel K. Inouye of Hawai'i, the Ranking Democrat on the Senate Commerce, Science and Transportation Committee, who, on January 24, introduced legislation (S. 93) giving the Secretary of Transportation sole authority over the administration of U.S. cargo preference laws.

Under the legislation, which the Senator has introduced in previous sessions, all government departments and agencies are to carry out their cargo preference programs according to regulations issued by the Secretary of Transportation.

The legislation also requires the Secretary of Transportation to conduct an annual review of the administration of cargo preference programs, and to submit a yearly report to Congress on the results of the review.

Finally, the legislation grants the Secretary of Transportation authority to provide penalties and sanctions for violations of the cargo preference statutes. The bill has been referred to the Senate Commerce, Science and Transportation Committee for consideration.

Editor's note: U.S. cargo preference laws require that 75 percent of food aid cargo, 50 percent of civilian agency cargo, and 100 percent of all military cargo be transported on U.S.-flag merchant ships, provided they are available at fair and reasonable rates.

Source: AMC Washington Letter

Matson profits continue to rise

Matson Navigation Company made an operating profit of \$108.3 million, \$15.1 million higher than the figure seen in the full year in 2003.

Revenues during the whole of last year were \$850.1 million, a 10% increase on the \$776.3 million seen in the corresponding period in 2003.

Matson attributed the increases to higher Hawai'i cargo volume, improved yields and cargo mix, increases in the fuel surcharge and vessel charters. However, these were partially offset by added ship operating expenses, higher cargo handling costs and depreciation.

During 2004, Hawai'i container cargo increased by 4% and cars and trucks by 8% compared with 2003, Matson said.

Matson was helped by a 16% increase in fourth quarter revenues to \$230.5 million. However, operating profits fell 23% to \$25.3 million due to a number of non-recurring items. Matson operated two additional ships for most of the quarter to help offset the effect of shore side labor shortages in California and meet cargo demands.

"The fourth quarter results exceeded our internal targets, thanks primarily to Matson Navigation," said Allen Doane, CEO of Matson's parent Alexander & Baldwin. He added: "Matson realized extremely strong growth in volume in the quarter, necessitating the addition of reserve shipping capacity to its Hawai'i service."

In other news, Matson Integrated Logistics (MIL) last month acquired Aquitaine Assets Ltd. (Aquitaine), a Houston-based freight transportation management and technology company.

Founded in 2001, Aquitaine provides three services throughout North America, rail intermodal, technology, and highway brokerage. Its intermodal service provides customers with a low-cost transportation option. The technology services offered include a web-based pricing and routing system that was developed in-house. Its highway brokerage service includes full truckload and expedited.

Aquitaine's four founding partners will be retained, as well as the current nine-member management team. In 2004, Aquitaine generated over \$20 million in revenue. Financial details of the acquisition were not disclosed.

The acquisition of Aquitaine will further strengthen MIL's transportation service offerings, as well as its presence in the Midwest, particularly in the Texas region.

"Matson Integrated Logistics continues to look for opportunities that will help us move forward with our goal of leading the industry with comprehensive logistics services," said Robert Papworth, president of MIL. "In recent years, we've enjoyed an increase in revenue that has exceeded 50 percent annually and correlating growth in overall volume."

In addition to the company's ongoing expansion, MIL continues to be recognized a leader in the logistics industry. In 2004, the company was ranked the number one intermodal marketing company (IMC) in Logistics Management magazine's Quest for Quality award. It was the fourth consecutive year that the company has received the Quest for Quality award and the third time it has been ranked the number one IMC.

SOCIAL SECURITY *continued from page 1*

also be advantaged, even though everyone would be taking the same risks.

"The zeal over privatization is fueled by the belief of Mr. Bush and his supporters that free-market fixes are appropriate for virtually every problem. That faith is misguided. For a society to be functional and humane, it's not enough that some people have a chance to be rich in old age. Rather, all old people must have the dignity of financial security, and that requires universal coverage.

"Social Security is the core tier of old-age support, replacing about a third of preretirement income for a typical retiree and providing inflation-proof income for life—a feature not available in private accounts. Its purpose is not to supplant other retirement investing, but to provide a crucial safety net. Anyone who wants to maintain his or her standard of living into old age must also amass substantial personal savings and investments. To introduce the same risk into the core tier of benefits that already exists for the bulk of one's retirement savings would be as unfair as it is unwise."

As the AFL-CIO says: "We have to strengthen Social Security the *right way* rather than slashing guaranteed retirement benefits. First we must require Congress to pay back the money borrowed from the Social Security Trust Fund. We should end the "wealthy wage exemption" so CEOs pay the same Social Security taxes on their salaries as we pay on ours. We repeal the Bush tax cuts for the top one percent of taxpayers and we should help working families build private pensions and savings on top of Social Security."

Corporate greed taken on in California grocery negotiations

On October 11, 2003 a strike by 70,000 United Food & Commercial Workers (UFCW) members began in the Southern California grocery industry that would impact workers in that business throughout the United States and Canada and perhaps overseas as well, for years to come.

In the lead up to the expiration of the Southern California agreement, the locals there bargained together against industry giants Safeway (which owns Vons in Southern California), Albertsons and Ralphs. From the beginning of the talks, the employers demanded three huge takeaways: a two-tier wage structure in which workers hired after contract ratification would have to fulfill an apprenticeship three times longer than existing employees and then once getting to the top rate earn up to three dollars an hour less than their precontract counterparts; a two-tier benefit package in which, new hires would never achieve the level of coverage enjoyed by workers on staff before the new agreement; and a pension contribution for new hires worth some twenty-five percent of what existing workers earned. These main demands were in addition to many other extraordinary proposals dealing with hours and working conditions.

The Southern California strike began in October 2003 and lasted until the end of March 2004. Prior to and during the strike, UFCW locals from around the United States and Canada sent staff, officers, stewards and activists to establish, run, and assist with picketlines, rallies and all the other things that need getting done when 70,000 members and their families are on strike. It was a tremendous undertaking. During the strike, hundreds of rallies took place throughout the region and in one of the highlights of the dispute, members of the Maritime Trades in Los Angeles shut down the port in a show of support for their sisters and brothers in the UFCW.

By any objective measure, in terms of driving business away from struck grocery stores the Los Angeles strike was a success. Shopping patterns have been permanently changed in Los Angeles because of the strike. Families that used to patronize Vons, Albertsons or Ralphs now do their shopping at Costco and Trader Joes or other retailers. Safeway, Albertsons and Ralphs continuing shrinkage of grocery market share in Los Angeles evidence this fact.

Unfortunately, the strike was not a success in terms of achieving a good agreement for UFCW members. In spite of the efforts of 70,000 members and their families and allies too numerous to count (first among them the SUP) the Union agreed to return to work at the beginning of March.

The author of this article is Mike Henneberry, Union Representative, UFCW Local 870 and a member of the Sailors' Union of the Pacific.

Filipinos send \$1.4 billion home

Filipino seafarers working in foreign-flags ships sent home an estimated \$1.4 billion last year or \$120 million a month, underlining the importance of shipping's demand for low cost manpower to the Asian country.

The dollar remittances for the year—projected from \$1.2 billion in the first 10 months—are 12.4% higher than the same period in 2003, according to the Philippines government. Actual earnings will be higher, as 90% of a Filipino's monthly pay is remitted by the employer.

Based on the government figures, the average monthly pay is around \$600, compared with the benchmark for an AB of \$1,400 set by the International Transport Workers Federation and the International Labor Organization's minimum basic pay of \$465 (\$817 gross).

At the same time the Philippines Department of Labor and Employment announced deployment of seafarers for the whole of 2004 reached 225,122, a rise of 9,091 on 2003. Labor and employment secretary, Patricia Thomas, said the figures had shown a consistent rise since

2001, when the 200,000 mark was broken for the first time.

The government's statistics include hotel and catering staff who work principally in the expanding cruise sector and are based on contracts rather than individuals who may sign on more than once in a year. The actual figure for seamen working on merchant ships is estimated at 100-120,000.

"Filipino seafarers now comprise 25% of the global shipping industry's manpower. This now affirms the country's compliance with the IMO's stringent 1995 Standards of Training, Certification and Watchkeeping," said Thomas.

The Philippines made the IMO's White List of STCW-compliant countries in 1998 but only after a radical shake-up and severe pruning of the more than 100 maritime training institutes.

Two years ago Norway, which employs 20,000 Filipino seafarers, withdrew official recognition from two colleges approved by the Philippines government after complaints from owners and masters about their graduates' skill levels.

U.S. ports warn of funding deficit

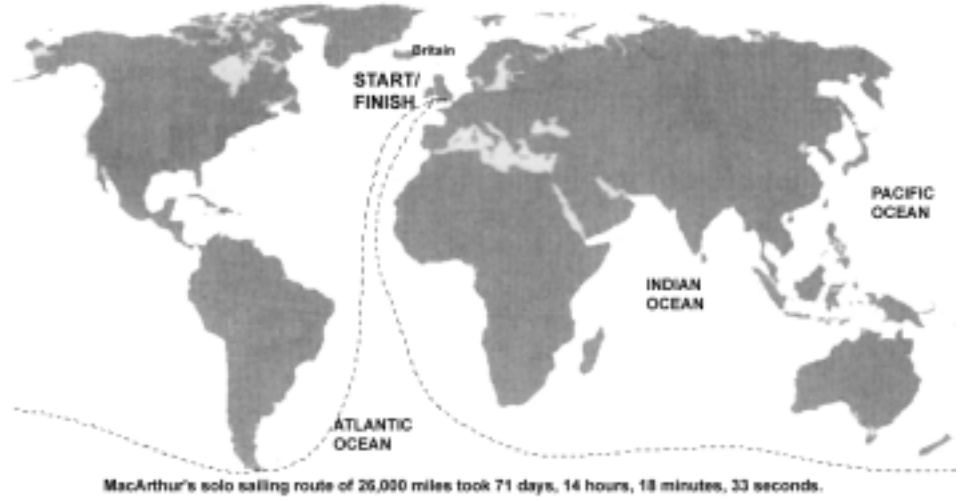
Ports across the United States are getting shortchanged in both security funding and improvement in navigational needs, according to the head of the port trade group.

Kurt Nagle, president of the American Association of Port Administrators, said that the new White House budget lumps ports in with other transport facilities from a security grant standpoint, a move that threatens what is already termed insufficient funding.

The total proposed for all transport security grant funding for 2006 is \$600 million, which Nagle says is \$200 million

less than the combined total last year. He said ports need at least \$400 million just for their needs and intends to lobby Congress to both segregate the port grant money and increase the share. He also noted that funds for dredging are being cut in 2006 just as many U.S. ports are trying to deepen their channels. Only \$4.5 million has been requested for capital dredging projects and Nagle says at least \$5.5 million is needed. "Vital port needs are being overlooked and underfunded," he said. His remarks came at a press conference held at Washington's National Press Club.

English woman sails around the world in 71 days



Ellen MacArthur, 28, set a record-breaking round-the-world voyage on February 7. MacArthur returned to Britain's rocky coast after spending 71 days alone at sea. She completed the 26,000 mile circumnavigation crossing an imaginary finish line between Ushant, France, and southwest England's Lizard peninsula.

"There were some times out there that were excruciatingly difficult," she said. "I have never in my life had to dig as deep as I did in this trip, and not just once or twice, but over consecutive weeks."

MacArthur never slept for more than 15 to 30 minutes at a stretch, totaling only four hours a day.

For her efforts, she was bestowed a title: Dame Ellen. Queen Elizabeth II approved a damehood for MacArthur, the female equivalent of knighthood; the youngest to be honored. MacArthur sailed aboard a 75-foot boat beating the existing record of Francis Joyon of France by 11 day, 8 hours and 35 minutes.

New maritime security committee to advise U.S. Coast Guard

The U.S. Coast Guard announced on January 6, the first panel of the National Maritime Security Advisory Committee. The advisory committee, which Congress established in the Maritime Transportation Security Act of 2002, will advise the Coast Guard and the Department of Homeland Security on maritime security and policy matters.

"We look forward to working with the committee to continue strengthening our efforts to protect our ports and waterways while keeping them open for commerce," said Adm. Thomas H. Collins, commandant of the Coast Guard.

The 20-member advisory committee will meet two to four times a year. Members will serve three year terms, although the first panel has staggered terms from three to five years.

The inaugural meeting has not been scheduled. It will be announced later in the Federal Register, according to a Coast Guard spokeswoman.

The members of the panel are: Chris-

topher L. Koch, World Shipping Council; Joseph H. Langjahr, Foss Maritime Company; Thomas E. Thompson, International Council of Cruise Lines; John C. Dragone, Maritrans Operating Co.; Mary Frances Culnane, San Francisco Bay Area Water Transit Authority; Basil Maher, Maher Terminals; Charles Raymond, Horizon Lines; Alice K. Johnson, PPG Industries; Timothy J. Scott, Dow Chemical; Mark Witten, ChevronTexaco; Robert R. Merhige III, Virginia Port Authority; Jeffery Wayne Monroe, Director of Ports and Transportation, Portland, ME; Lisa Himber, Maritime Exchange for the Delaware River and Bay; Wade M. Battles, Port of Houston Authority; John Hyde, Maersk Sealand; William Eglinton, Seafarers International Union of North America; James Stolpinski, International Longshoremen's Association; David Halstead, Florida Department of Law Enforcement; Theodore Louis Mar, California Department of Fish and Game; Victor Zaloom, Lamar University.

Neptune Orient Lines (NOL) net profits soar

Neptune Orient Lines the parent company of American President Lines, has reported a net profit of \$943 million for 2004 on the back of a 19 percent increase in turnover at \$6.5 billion. Net profit was more than double the \$429 million gained in 2003. "While the Group benefited from healthy global demand conditions, the strong results also reflect positive contributions by the management team in focusing on improving efficiency, asset utilization and most importantly, operating margins and hence, profits," chairman Cheng Wai Keung said. NOL also gained from nonrecurring items that included the sale of American Eagle Tankers.

The government-linked company is now primarily a liner and logistics player. The liner division still accounts for a lion's share of group turnover, 81 percent, but in what group chief executive David Lim characterized as a shift in policy, liner and logistics are to be integrated. China will continue to drive growth and the liner business is expected to perform strongly in 2005.

New wave of stowaways to North America

A new and highly organized wave of stowaways from China on ships bound for North America is in prospect, the maritime world has been warned. Many of the refugees will arrive hidden in shipping containers carefully kitted out with about as much comfort as can be managed.

The latest loss prevention bulletin from UK P&I Club, the industry's biggest liability insurer, states that it has "reliable information" from its correspondent in Vancouver by way of Canadian Immigration authorities. The bulletin says:

"There will be a significant increase in stowaways in containers from Southeast Asia, particularly South China and Hong Kong, to destinations in North America."

Club managers are advising ship operators to adhere scrupulously to their vessel security plans while in port, and if necessary increase security while in ports in northeast Asia, using reputable security companies familiar with stowaway issues. Shipping people should look out for suspicious repairs or air holes drilled into containers.

ESU Office Assignments

For the month of March, Thomas Thompson will be in the Seabrook office and Robert Knight will be in the Benicia office.



FEBRUARY 2005

Official Publication of the Exxon Seamen's Union

Profit, profit and more profit

ExxonMobil Corporation, parent company of SeaRiver Maritime, Inc. reported January 31, 2005 record fourth quarter profits of \$8.42 billion. For all of year 2004 the company posted a profit of \$25.33 billion, both numbers are thought to be record earnings for a corporation.

When comparisons are limited to operating earnings the oil giants most recent quarterly performance seems to outshine the benchmark for a 3-month reporting period posted by Ford Motor Company in 1998. That year the automaker experienced a first quarter profit of \$17.6 billion, however \$16 billion came from a spin-off of a financing business and only \$1.6 billion of the profit was generated from the carmaker's operation. For the 1998 reporting period Ford showed a total profit of \$22 billion, still more than \$3.3 billion less than ExxonMobil achieved.

Vice President of Investor Relations, Henry H. Hubbell offered the following quote regarding ExxonMobil's 2004 performance, "In summary, we had a very good year."

Corporate earnings over the last five years are estimated at over \$91 billion. These solid performances have left the corporation in the enviable position of having in excess of \$23 billion in cash. This amount has more than doubled the company cash reserves of a year ago. This fact has some equity managers and analysts speculating as to what company officials will ultimately decide to do with this excessive amount of riches. Many believe that the company is well positioned to make large acquisitions in Canada, Russia or even take a share in the state-owned oil company of Brazil or other nations. To date no announcement as to the complete corporate strategy for the utilization of this cash has been offered publicly.

Unfortunately, a year of profitable performance by the company does not normally prompt wage increases that reflect the company's exceptional earnings success. The blue-collar, represented labor force is regularly stifled when negotiating increases based on ExxonMobil's consistent high earnings. Managers, when negotiating earnings have become adept at deflecting earnings arguments when negotiating with the numerous labor organizations that represent its employees. Instead, Human Resource Departments corporate-wide regularly use such arguments as "industry standards" that do not reward employees for the exceptional success of the company. These comparisons are designed to minimize any increase in compensation by comparing their highly productive employees to those that have not realized the level of suc-

cess that ExxonMobil or its affiliates have experienced. Thus, conveniently leaving ExxonMobil's represented employees to be compared to workers employed by third parties that may, or may not have the resources to offer the higher, and deserved compensation that this corporation is capable of offering.

The "industry standards" argument is the justification that the corporation has used for years to disallow its hourly employees to share in the fruits of the company's success. This is viewed by the Union as nothing more than an argument of convenience for the company. Or more plainly stated, a convenient method to suppress wages of non-managerial employees by not recognizing that they have contributed to the exceptional performance. This wage comparison standard does not generally apply when fixing compensation rates and staffing levels of Executives and their white-collar staff throughout the corporation. It is deemed perfectly acceptable to reward these managers based on the overall health and performance of the corporation.

One only needs to apply common sense reasoning in determining the earnestness and fairness of this method in fixing employee wages and benefits. Suppose ExxonMobil, or any corporation using this "industry standard" method found themselves in a prolonged period of poor earnings reports and fiscal difficulty that resulted in the company lagging well behind the industry and in financial trouble. Would ExxonMobil, or any corporation continue to insist on compensating employees up to the prevailing industry standards or would that corporation request assistance from their employees in the nature of wage concessions despite industry standards?

The answer is obvious and not without precedent. Companies will not hesitate to demand "give-backs" from their employees in lean economic times, yet in the case of corporations such as ExxonMobil, generally feel no compulsion to offer their hourly employees any real reward during prosperous times.

The corporation has moved to assure continued prosperity to the shareholders through an aggressive "buy back" of company stocks. Lucrative compensation packages have been provided to upper tier managers for years. They have satisfied debts incurred during the merger of Mobil Oil and still have found themselves flush with cash. Perhaps now is the time to recognize the contributions that the frontline employees have made to this extraordinary success story—\$23 billion in cash.

Is there any better investment a company can make than in their employees?

Union arbitrates demotion grievance

On February 8, the ESU, represented by Executive Board Officers Tommy Thompson and John Straley along with the Union's attorney, Sharon Groth attended the much-anticipated arbitration hearing regarding the demotion grievance filed by the union in July of 2004. Various Human Resource Department managers as well as their legal counsel represented SeaRiver Maritime, Inc. The hearing, held at the Doubletree Hotel in Houston, Texas, was conducted under the auspices of the American Arbitration Association (AAA) with Ms. Kathy Fragnoli serving as the impartial Arbitrator in the case.

The Unions original grievance, submitted to the Company July 8, 2004 contended that the company violated provisions of the Collective Bargaining Agreement (CBA) when on July 1, 2004, ten (10) members were notified in writing that they were to be immediately demoted out of their ratings and would be placed on seniority lists of lower ratings. The Union has consistently maintained that these members were to be afforded the rights and protection found in the CBA relating to demotion and that the company wrongly and unjustly circumvented their contractual obligation to these employees when they did not demote in accordance with the demotion language within the Agreement. The Executive Board remains optimistic that a favorable ruling from the Arbitrator will be rendered. A final decision in this case could easily take more than two (2) months time from the hearing date. Generally, delivery to the Attorneys for each side of the official transcripts of the hearing will take up to ten (10) business days. Thirty (30) days after receipt of the transcripts the attorneys are required to provide to the Arbitrator written legal briefs. After receipt of the attorney's written briefs, the Arbitrator will weigh the merits of the case by reviewing and considering evidence and testimony presented during the hearing. Normally, a final ruling by the Arbitrator is rendered within three (3) to five (5) weeks after receipt of the briefs.

The Executive Board is cognizant of the importance this issue has to its membership and has done everything within its abilities to expedite a decision in this matter. Certain contractual obligations found within our Agreement require a response time as a grievance is processed through the grievance procedure to allow both the Union and Company time to prepare responses at each step of the procedure. Additionally, there are considerations in the selection of an arbitrator and then scheduling a hearing date that is mutually acceptable by their very nature require a considerable amount of time. At almost six-months to the day that the alleged violation occurred, the ESU was able to have the case before an arbitrator, resulting in this very significant matter moving from a third-step grievance to arbitration quicker than any other in memory.

ExxonMobil Seminar dates for the remainder of 2005

(Pre-Retirement Planning Course)

Start Date	End Date	Location	Start Date	End Date	Location
3/2/2005	3/3/2005	Torrance, CA	6/29/2005	6/30/2005	Houston, TX
3/8/2005	3/9/2005	Houston, TX	9/13/2005	9/14/2005	Baytown, TX
3/10/2005	3/11/2005	Houston, TX	9/13/2005	9/14/2005	Houston, TX
3/15/2005	3/16/2005	Fairfax, VA	9/22/2005	9/23/2005	Houston, TX
3/28/2005	3/29/2005	Baytown, TX	9/22/2005	9/23/2005	Fairfax, VA
3/30/2005	3/31/2005	Baytown, TX	9/27/2004	9/28/2005	Clinton, NJ
4/11/2005	4/12/2005	Houston, TX	10/3/2005	10/4/2005	Baton Rouge, LA
4/12/2005	4/13/2005	Clinton, NJ	10/5/2005	10/6/2005	Baton Rouge, LA
4/13/2005	4/14/2005	Houston, TX	10/11/2005	10/12/2005	Houston, TX
4/19/2005	4/20/2005	Baytown, TX	10/13/2005	10/14/2005	Houston, TX
4/21/2005	4/22/2005	Baytown, TX	10/24/2005	10/25/2005	Baytown, TX
4/25/2005	4/26/2005	Houston, TX	11/1/2005	11/2/2005	Torrance, CA
5/5/2005	5/6/2005	Houston, TX	11/1/2005	11/2/2005	Houston, TX
5/10/2005	5/11/2005	Baton Rouge, LA	11/3/2005	11/4/2005	Houston, TX
5/12/2005	5/13/2005	Baton Rouge, LA	11/8/2005	11/9/2005	Baytown, TX
5/23/2005	5/24/2005	Baytown, TX	11/10/2005	11/11/2005	Baytown, TX
5/25/2005	5/26/2005	Houston, TX	11/15/2005	11/16/2005	Fairfax, VA
6/7/2005	6/8/2005	Fairfax, VA	11/15/2005	11/16/2005	Baton Rouge, LA
6/7/2005	6/8/2005	Houston, TX	11/17/2005	11/18/2005	Baton Rouge, LA
6/9/2005	6/10/2005	Houston, TX	11/29/2005	11/30/2005	Houston, TX
6/21/2005	6/22/2005	Clinton, NJ	12/1/2005	12/2/2005	Houston, TX
6/27/2005	6/28/2005	Houston, TX	12/5/2005	12/6/2005	Baton Rouge, LA

Note: If you are interested in attending one of the above courses you should contact the SeaRiver Training Department at 877-290-1422 ext. 3 or 713-656-2598.

If you are eligible, or soon to be eligible to retire from the Company, you should consider attending a pre-retirement planning seminar that is offered by ExxonMobil. Scheduling is prioritized by age and/or definite retirement plans. Spouses are invited to participate in this class. You should attend this course a few years prior to retirement. This course covers the many options that one needs to consider when retiring from the Company.

If you would like to receive a retirement estimate, contact Benefits Administration at 800-262-2363. The estimate will be sent to your plan registered address in approximately six to eight weeks.

Date changed for Ship Representative Conference

The date for the Ship Representative Conference has been changed to March 6 through March 11, 2005. The location is still the Galveston Hilton in Galveston, Texas.

ESU News

Jones appointed Ship Representative

QMED Danny Jones has been appointed by the Executive Board to continue as Ship Representative aboard the *S/R Hinchinbrook*. During the recently concluded union officers' elections there were no candidates for consideration to this position.

The vessel is scheduled to leave service due to her OPA 90 "drop dead" date later this year. It appears this fact; coupled with ongoing labor/management discord aboard the *S/R Hinchinbrook* has contributed to the lack of interest in members seeking election to this union position.

The Union owes Danny a debt of gratitude for his willingness to continue in his present capacity. Appointment of a Ship Representative by the Executive Board is mandated and was executed as prescribed by the Exxon Seamen's Union Constitution and By-laws, Article V, Section 4 and paragraph A, which states, "When a vacancy occurs in a Ship Representative position due to a resignation or for other reasons, the Executive Board can then appoint a member to fill the vacancy until the next scheduled election."

Broussard and Clotter retire

The Union has been notified that two longtime ESU members have elected to retire.

Roy Broussard, Jr. (Cook) – After nearly 36 years of Company service and membership in the ESU, Roy decided it was time to retire. Roy started his career with the Company on board the *ESSO Scranton* in February of 1969.

Roy is looking forward to doing a few things around the house and just taking it easy.

Marcos Clotter (Pumpman) – Marcos elected to retire effective February 11, 2005 after 25 years of service with the

Company. Marcos started his career in July of 1979 as an Ordinary Seaman on board the *ESSO Lexington*.

Marcos too is looking forward to a less stressful lifestyle and believes his blood pressure is way down since making the decision to retire.

Roy and Marcos were loyal and supportive members and their contributions will be missed by the Union and the membership. The ESU Board and membership extend to Roy and Marcos a sincere, "job well done" and wish both of them a long and happy retirement.

Relieving the Watch



On the deck of the *S/R Columbia*. The 4 x 8 watch relieves the 12 x 4. Pictured from left to right are Able Seamen Joseph Buffington, Albert "Tony" Curtis, Noland Richardson and Danlio Perez. Photo by John Straley.

War Zone Arbitration hearing

The War Zone Bonus Grievance hearing convened on Wednesday, February 10, 2005. Representing the Union were Executive Board Officers Tommy Thompson and Jerry Patterson. Legal counsel for the Union was Ms. Sharon Groth. In attendance for the Company were a SeaRiver HR manager and retired HR Head Ed Cahill, as well as their legal counsel. The hearing was held at the Hampton Inn in Seabrook, Texas, with American Arbitration Association (AAA) Arbitrator Ms. Diane Massey presiding.

This grievance, filed on June 11, 2003 at the third-step has taken a circuitous route in finally being heard before the AAA. After written notification to the Company requesting a meeting to discuss War Zone Bonus pay and War Risk Insurance for the members aboard the *S/R Mediterranean* on May 16, 2003 as stipulated in the Collective Bargaining Agreement the Union and Management met on May 21, in preliminary discussions. On June 19, the Union, with its Bargaining Committee in attendance once again met with managers resulting in the Union filing the third-step grievance when, in the opinion of the ESU the company did not recognize the War Zone and did not negotiate as required under the terms of the Agreement. In this third-step grievance the Union stated, "Resolve the grievance by recognizing that a War Zone exists pursuant to Article 14, Section 15 of the collective bargaining agreement and set a negotiating session over war area bonuses and war risk insurance as soon as possible."

After the Company denied the grievance at both the third and fourth steps in the grievance process the Union requested arbitration and a hearing date was set for May 14, 2004. In mid-April of 2004 the Union, in discussion with

SeaRiver management ascertained that there might be a mutual interest in resolving this issue without the need for arbitration. Without precedent or prejudice to their position on whether or not a war zone was declared, the company agreed to postpone arbitration and negotiate the issue.

Again, on May 19, 2004 the Union's Bargaining Committee met with management to negotiate a war area bonus for members that had sailed in the designated area during the period declared by the Office of the Secretary of Defense. During this meeting the Union once again believed that the Company had failed to negotiate as required under the terms of the Agreement. The Union offered the following statement to management, "Our Contract language is clear and further we think it is unconscionable for the company to refuse this contractual benefit to employees the company placed at increased risk by requiring they serve in a war zone declared by the federal government."

Following the May 2004 meeting the Union instructed its Attorney to reschedule arbitration of this grievance and a hearing was scheduled for September of 2004 in Seabrook, Texas. Once again a delay was experienced when severe inclement weather due to the remnants of Hurricane Ivan was predicted and both parties as well as the Arbitrator agreed that the hearing should be rescheduled.

The Union is confident that it presented a clear and compelling argument to the Arbitrator and is optimistic that a final decision will favor the Union's position and the Company will be required to negotiate in accordance with the Agreement. The Arbitrator's decision is expected in approximately 8-10 weeks from the time of the hearing date.

Ship reports

SR American Progress

Board visit conducted February 9 at the ExxonMobil Dock in Beaumont, TX. Recently elected Ship Representative Ed Caldwell is expected to join vessel late March or early April and will attend the Ship Representative Conference in March. Michael Harrison is presently filling in during the interim and has conducted a Shipboard Union meeting and is staying in communication with the Union. Ship has settled back into its trans-Gulf trade but the vessel is scheduled for Singapore transit in March for shipyard period.

SR Baytown

Vessel has been on the Anacortes to Valdez run. Ship Representative Mark Myser on board. Mark has been communicating with the ESU office via cell phone. No beefs. Vessel is scheduled to call on San Francisco during the first week of March.

SR Columbia Bay

Board member visited the vessel on February 13 and 14 at Benicia and Martinez, CA. Vessel discharged in LA, and three docks in San Francisco Bay area. Martin Sanderson is filling as Temporary Ship Representative. Everything running smooth.

SR Galena Bay

Board officer awaiting vessel but unable to board due to fog on February 22 and 23 in Christi, TX. Representative George Taylor on paid leave and scheduled to attend the Ship Representative Conference. Ship reporting no issues at this time. Rick Bauer stepping-up and assuming the Temporary Ship Representative post in George's absence.

SR Hinchinbrook

Board officer visited the vessel on February 1, 2005 at Martinez, CA. Danny Jones was appointed by the Executive Board to continue as the Regular Ship Representative until the vessel is taken out of service due to OPA 90 requirements. Danny reports no problems.

SR Long Beach

The vessel was boarded on February 2 at anchorage #9 in San Francisco and again on February 21 at Valero in Benicia, CA. Regular Ship Representative Joe Graca on board. Vessel scheduled to call on Port Angeles on her way North for minor repairs. Joe reports no issues at the present time.

SR Mediterranean

Vessel continues running between Middle East and Asia. Ship Representative Frank O'Malia on board and reporting in. Question regarding meal money/indexing submitted to Executive Board and great concern passed on to Union concerning a cargo of crude loaded that the crew was not aware contained an exceptionally high H2S content. Board to address issue with appropriate shore managers.

SR Wilmington

Board Officer visited February 13, 2005 at the ExxonMobil Dock in Baytown, TX. Ship Representative Charlie Pollard was relieved at this port call and longtime ESU member Bob Ross has once again stepped forward and assumed the reins during Charlie's absence. Board officer clarified several questions regarding the BCBS prescription drug plan and participating pharmacies. Some questions concerning the Union's waiver policy on board addressed. The vessel continues in its "clean oil" trade.

EXXON SEAMEN'S UNION

Founded March 28, 1941

Affiliated with the Sailors' Union of the Pacific

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Vice President John Straley

Secretary/Treasurer Robert Knight

Recording Secretary Thomas Thompson III

Deck Trustee Patrick Campbell

Engine Trustee William Ackley

Steward Trustee Gerard Nelson

Sailors' Union of the Pacific/ Training Resources, Ltd.

Schedule of Course Offerings for 2005

The following dates are tentative. Contact Steve Messenger (415 778-5490) for more information.

STCW 95 Basic Safety Training

• Basic Fire Fighting	• Basic First Aid		
• Personal Survival	• Personal Safety and Social Responsibility		
Mar. 7-11	May 23-27	Aug. 8-12	Oct. 17-21
Mar. 21-25	Jun. 6-10	Aug. 22-26	Oct. 31-Nov. 4
Apr. 11-15	Jun. 20-24	Sep. 12-16	Nov. 14-18
Apr. 25-29	Jul. 11-15	Sep. 19-23	Dec. 5-9
May 9-13	Jul. 25-29	Oct. 3-7	Dec. 12-16

LMSR Vessel Training (MSC approved)

Mar. 15-25	May 10-20	Aug. 9-19	Nov. 8-18
Apr. 12-22	Jun. 7-17	Sep. 13-23	Dec. 6-16
	Jul. 12-22	Oct. 11-21	

Small Arms Training (MSC approved)

Mar. 28-30	May 23-25	Aug. 22-24	Nov. 21-23
Apr. 25-27	Jun. 20-22	Sep. 26-28	Dec. 19-21
	Jul. 25-27	Oct. 24-26	

Able Seaman (AB)

Mar. 14-26	May 9-21	Aug. 8-20	Nov. 7-19
Apr. 11-23	Jun. 6-18	Sep. 12-24	Dec. 5-17
	Jul. 11-23	Oct. 10-22	

Survival Craft (Lifeboatman)

Feb. 28-Mar. 3	May 23-26	Aug. 8-11	Oct. 17-20
Mar. 28-31	Jun. 6-9	Aug. 22-25	Oct. 31-Nov. 3
Apr. 4-7	Jun. 20-23	Sep. 12-15	Nov. 14-17
Apr. 18-21	Jul. 11-14	Sep. 26-29	Dec. 5-8
May 9-12	Jul. 25-28	Oct. 3-6	Dec. 19-22

Training Information and Enrollment

Contacts

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Editor's Note: For those who want to receive the *West Coast Sailors* in a more timely manner, subscriptions **via first-class mail** are now available (one-year intervals only) for \$25 per year.

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Welfare Notes

February 2005

RE-ENROLLMENT FOR ACTIVE PARTICIPANTS

If a participant reestablishes eligibility after medical and dental coverage terminates because of insufficient working days, the participant must complete new enrollment forms to restart their coverage. As an example if a participant has been a Kaiser member, but loses his coverage because of insufficient shipping time that person must fill out new Kaiser forms once eligibility is reestablished.

If you have questions about changes in your eligibility or need enrollment forms, please contact the Welfare Plan office (800-796-8003).

ACTIVE PARTICIPANTS WHO ARE UNFIT FOR DUTY

Active participants who become Unfit for Duty due to illness or injury should submit Unfit for Duty forms to the SUP Welfare Plan office. Unfit for Duty information verified by your attending physician can extend your medical and dental coverage until you regain your fit for duty status. Updated forms from your doctor should be submitted periodically as you receive treatment and a form should be submitted once you are medically fit for duty again. Please contact the Welfare Plan office if you need forms or have questions (800-796-8003).

PENSIONERS WHO ARE VETERANS

Pensioners who are also veterans may be eligible to get their prescription drugs from the Veterans Administration. The VA co-payment for prescriptions maybe significantly less than the amount you are currently paying for your drugs. That co-payment amount can be submitted to the SUP Welfare Plan for reimbursement under the Annual Pensioners Allowance. For information about benefits available to veterans please contact your local Veterans Administration office.

SUP WELFARE PLAN STAFF

Michelle Chang, Administrator, Steve Messenger, Training Representative, Patty Martin, Brian Farmer, Virginia Briggs, and Michael Jacyna

SUP Welfare Plan

450 Harrison Street, San Francisco CA 94105

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Main (415) 778-5490
Eligibility active members/dependents (415) 778-5491
SUP Money Purchase Plan, SUP 401(k) Plan,
Pensioner Medical Benefits (415) 778-5493
Toll Free Number (800) 796-8003

Drunk Hungarian captain fined, banned

The Hungarian captain of a small Panama registered bulk carrier who was found guilty of being under the influence of alcohol while in command of his vessel has accused the U.S. Coast Guard of being heavy-handed. A federal magistrate fined 52-year old Janos Gyori \$3,000 on January 19 and banned from U.S. waters for a year. Gyori was at the helm of 3,120dwt *General Lee* when it was boarded by Coast Guard officers on January 11, off Hampton Roads, Virginia. At his hearing, the Coast Guard said he smelled of alcohol and failed six separate field sobriety tests before refusing to take a chemical breathalyzer test. Gyori admitted drinking four light beers and part of fifth on the evening before the boarding but said he felt sober when he took the helm at 0400. The Coast Guard boarded the vessel shortly after 0600. "They had a very bad effect on me. They shouted at me. I became very confused. I was mad and upset," Gyori testified about the Coast Guard's behavior. He said that his crew were peaceful men who were treated as if they were pirates.

New maritime ID enters into (limited) force

In an effort to preempt terrorism on the high seas and in the world's ports, the new biometric identification system, which will potentially affect 1.2 million maritime workers handling 90 percent of the global trade, is now in effect.

However, only three countries —France, Jordan and Nigeria— have currently ratified the International Labor Organization (ILO) Seafarers' Identify Documents Convention 2003 (No. 185), but only two more countries need to ratify it before the convention goes into full force.

More than 50 countries have submitted the convention to their parliaments, including India, the Philippines and Indonesia, which have the largest number of seafarers in the world.

Record of SUP Shipping January 2005

	Hdqs	Seattle	Wilm	Hono	Total
Bosun	3	6	3	0	12
Maint. Man	5	0	0	2	7
Watchman	0	0	9	0	9
A.B. Dayworker	0	0	7	3	10
A.B.	21	13	0	4	38
O.S.	0	0	2	2	4
Standby	14	3	55	24	96
TOTALS	43	22	76	35	176



SUP President's Report

February 15, 2005

AMERICAN SHIP MANAGEMENT

Captain Saunders Jones, Vice President and Chief Operating Officer of American Ship Management, has informed the Union that his company is in "continuous negotiations" with American President Lines regarding the operation of APL's Maritime Security Fleet vessels beginning October 1 of this year. As of this date, APL has not decided whether it will operate the vessels directly, continue its relationship with ASM, or designate another entity such as American Automar, a Neptune Orient Line subsidiary. However, informed sources at the Maritime Administration indicate that APL as well as other companies awarded MSP operating agreements must inform the agency on or before July 1, who is going to manage their vessels.

After being directed by APL last year to discuss continued MSP operations with ASM, the SUP and the other seagoing Unions with contracts with ASM reached agreement with the company regarding MSP vessels. The SUP ratified its agreement last month and the other Unions are in the process of doing the same.

LMSR PROTEST UPDATE

As reported last month, Patriot Contract Services, a division of American Ship Management, withdrew its protest with the Government Accountability Office (GAO) over the Military Sealift Command's award of nine Large Medium Speed Roll-On/Roll-Off (LMSR) vessels to American Overseas Maritime Corporation (AMSEA) and filed a complaint on December 5 with the United States District Court for Northern California in San Francisco seeking to overturn the award. The company filed an amended complaint on January 11, to bolster its case.

On February 12, Patriot filed a motion with the court seeking a preliminary injunction enjoining MSC from commencing turnover of the vessels. This motion is particularly important as MSC wants AMSEA to assume management of the *USNS Shughart* on March 11.

According to Patriot, the filing of this motion and related motions will trigger a process of review by the court and a ruling on the request for an injunction. The process is expected to take approximately four weeks. If a favorable ruling is obtained, the turnover of the LMSRs will be blocked until such time as the court rules on the merits of Patriot's complaint.

In a message sent to the Union and to the LMSR fleet, the company stated that it "is committed to continuing the protest of the award of the Patriot LMSR contract to AMSEA and we ask that our employees continue to stand fast with us. Your continued professional performance on behalf of MSC and our Armed Forces is the best demonstration of our commitment to this contract and the quality of our organization."

In related news that should positively impact Patriot's legal initiative, the industry publication *TradeWinds* reported in its February 11 edition that the Maritime Administration has found AMSEA "outside the competitive range" in the company's bid for Ready Reserve Force (RRF) ship operation contracts. Industry sources have confirmed the *TradeWinds* report and have stated that the features of AMSEA's bid found uncompetitive are said to have to do with technical operational criteria. Awards for RRF vessels consider three sets of criteria: price, technical and past performance.

If MarAd believes that AMSEA is not fit to operate RRF ships, then why does MSC award this subsidiary of General Dynamics a multimillion dollar contract to manage LMSRs that are key to supplying U.S. forces in Iraq? That is the question it is hoped the court, the Congress, the Defense Department and the Transportation Department will seriously consider.

Ironically, Patriot was notified by MSC on January 28, that the company was awarded an "Exceptional" rating for Year 5 of its management of the LMSRs.

This is the fifth consecutive year of "Exceptional" ratings for Patriot. This is due, in no small part, to the stellar performance of the crews in these vessels.

SUP WELFARE PLAN

For over a year the SUP Welfare Plan has struggled to keep on an even keel due to the skyrocketing costs of health care and the intransigence of American Ship Management and Matson Navigation Company to comply with their obligations to fund the Plan under the provisions of Section 29 of the General Rules with both companies.

The Union Trustees (Dave Connolly and your secretary) have pressed for months (see the July, October, December and January issues of the *West Coast Sailors*) to break the deadlock with employers to compel them to properly fund the Plan which provides medical benefits for members and their families.

A breakthrough was made last month in bargaining with ASM. The Union made it clear to the company that the 10-year Maritime Security Program agreement, which was ratified by the membership last month, was contingent upon the company—prior to the signing of the Memorandum of Understanding on January 7—agreeing to make the extra contributions necessary to properly fund current benefits and to repay its proportional share of the debt incurred by the Plan's Regular account due to "borrowing" from other Plan funds. The company ultimately agreed and significant extra contributions will be made to the Plan retroactive to January 1, with the debt owned by ASM repaid over a short period of time.

The Union Trustees also made a similar demand to Matson. This company did agree to increase contributions to the Plan retroactive to January 1, but at a lower rate than ASM and without a final settlement on the deficit issue. While the ASM portion of Plan funding has successfully been resolved, it appears that the Union will have to initiate further action to force Matson to comply.

In discussions with both companies regarding funding the Plan, the issue of eligibility for Plan benefits was one that was revisited constantly.

As the membership will recall, in bargaining with APL and Matson under the umbrella of the Pacific Maritime Association in 1984, the SUP allocated \$4.00 per manday earmarked for welfare benefits to extend eligibility from six months to one year. That extension applied to APL commercial vessels and the steady standby gang and to Matson's commercial vessels and to the steady standby gang.

In the intervening years since 1984 eligibility has changed several times to where all covered employment resulted in one year's worth of eligibility.

Among other proposals, the employer Trustees proposed and the Union Trustees rejected that all eligibility be reduced to six months. However, due to the fact that contributions to the Welfare Plan were on a fixed dollar basis under certain contracts, funds were not sufficient to maintain current eligibility for all participants, again due to the cost of medical benefits.

For example Matson's ITB *Moku Pahu* is at a fixed contribution rate as are ASM's non-MSP vessels *President Grant* and *President Wilson*. The LMSRs, vessels in the Ready Reserve Fleet and casual standby hired under the Extra Maintenance provisions of the agreements with both companies are also at a fixed contribution rate significantly lower than the rates paid under in the ASM and Matson commercial vessels and the steady standby Maintenance Agreements. The agreements with Foss Maritime Company and the San Francisco Bar Pilots also have fixed contribution rates.

In order to keep the Plan viable and on a financial even-keel while maintaining the current level of benefits, the Trustees agreed that eligibility for those benefits would, out of necessity, have to be changed.

Essentially those employed in ASM's Maritime Security Fleet vessels and steady standbys and those employed in Matson's fleet (except *Moku Pahu*) and the steady standbys will continue to receive one year of eligibility for themselves and their families for sixty

days work effective May 1.

Those employed in the *Moku Pahu*, *President Grant*, *President Wilson*, the LMSR vessels, the RRF vessels, Foss and the San Francisco Bar Pilots will receive six months of eligibility for themselves and their families for sixty days of work effective May 1.

Members employed under the Extra Maintenance (casual standby) Agreements with ASM and Matson will receive six months eligibility for themselves only for sixty days of work effective May 1.

To explain in detail the eligibility changes, the SUP Welfare Plan office sent the following letter to all active participants on February 15, plus an individual eligibility analysis of each active participants work history from May 2004 through December 2004:

CHANGE IN ELIGIBILITY FOR WELFARE PLAN BENEFITS

Due to the rising cost of health care, the Trustees of the SUP Welfare Plan have found it necessary to both clarify and revise the eligibility rules for active participants.

It is important to note at the outset that medical, dental and all other benefits for all groups shall remain the same.

It is further important to note that the eligibility rules for participants employed in the commercial fleets of Matson Navigation and American Ship Management and their regular shore gang employees (referred to as Group 1 below) are substantially the same as before. There will still be 12 months of coverage for 60 days worked on a continuing basis and 120 days on an initial basis. The main change is from a fixed anniversary date to a rolling eligibility period based on days worked.

Participants employed under military and inland contracts will retain the same number of initial and continuing qualifying days worked (120 and 60, respectively) but will experience a reduction in the period of coverage from 12 months to 6 months.

Effective May 1, 2005, eligibility for Active Employee Benefits and Active Employees' Dependent Benefits will be classified into three groups; Group 1, Group 2, and Group 3. The following eligibility rules will apply for coverage on or after May 1, 2005:

GROUP 1

Participants who are employed in the following work categories will have mandays credited toward Group 1 eligibility:

- Maritime Security Fleet vessels operated by American Ship Management
- Matson Navigation Company commercial vessels (except the IBT *Moku Pahu*)
- ASM or Matson Maintenance Agreements—Regular Shore Gang only; Extra Maintenance personnel are in Group 3

FOR INITIAL GROUP 1 ELIGIBILITY:

An employee will be required to work 120 qualifying mandays in a consecutive 12-month period to be entitled to Group 1 eligibility. 12 months of benefit coverage will be provided starting with the 1st day of the month following completion of the 120th qualifying manday. Qualifying mandays will include only mandays worked from Group 1 employment. Neither Group 2 nor Group 3 mandays can be used to establish or continue Group 1 eligibility. However, Group 2 mandays can be used to establish and continue Group 2 or 3 eligibility as explained under the Group 2 Eligibility rules below. Group 3 mandays can be used to establish and continue Group 3 eligibility as explained under the Group 3 Eligibility rules below.

CONTINUING GROUP 1 ELIGIBILITY:

After establishing initial eligibility, an employee will extend the initial 12-month benefit period by working a minimum of 60 qualifying mandays within that 12-month benefit period. Upon completion of the 60th qualifying manday, coverage will be rolled forward to provide 12 months of continuing coverage measured from the first day of the month fol-

continued on next page

President's Report continued

lowing completion of the 60th qualifying manday. Each new period of 60 qualifying mandays will roll forward an employee's eligibility for up to 12 months, provided those mandays are all completed during the employee's most recent 12-month benefit period under Group 1. *Qualifying mandays will include only mandays worked from Group 1 employment. Group 2 and Group 3 mandays cannot be used to continue Group 1 eligibility.* Once a manday has been used to establish initial or continuing eligibility, it cannot be reused to establish or further extend an employee's eligibility.

Reestablishing Group 1 Eligibility:

To reestablish eligibility that has lapsed due to insufficient qualifying mandays, 120 qualifying mandays must be worked in a consecutive 12-month period beginning after Group 1 eligibility lapsed. *Qualifying mandays will include only mandays worked from Group 1 employment. Group 2 and Group 3 mandays cannot be used to reestablish Group 1 eligibility.*

GROUP 2

Participants who are employed in the following work categories/Employers will have mandays credited toward Group 2 eligibility:

- Military vessels (LMSRs, RRF, etc.) operated by American Ship Management or Matson Navigation Company
- Matson Navigation Company IBT *Moku Pahu*
- ASM J-10 vessels
- Employees of Foss Maritime
- Employees of SF Bar Pilots.

FOR INITIAL GROUP 2 ELIGIBILITY:

An employee will be required to work 120 qualifying mandays in a consecutive 12-month period to be entitled to Group 2 eligibility. Six months of coverage will be provided starting with the 1st day of the month following completion of the 120th qualifying manday. *Qualifying mandays will include only mandays worked from both Group 2 and Group 1 employment. Group 3 mandays cannot be used to establish or continue Group 2 eligibility, but can be used to establish or continue Group 3 eligibility as explained under Group 3 Eligibility below.*

CONTINUING GROUP 2 ELIGIBILITY:

After establishing initial eligibility, an employee will extend the initial 6-month benefit period by working a minimum of 60 qualifying mandays within that 6-month benefit period. Upon completion of the 60th qualifying manday, coverage will be rolled forward to provide 6 months of continuing coverage measured from the first day of the month following completion of the 60th qualifying manday. Each new period of 60 qualifying mandays of employment will roll forward an employee's eligibility for up to 6 months, provided those mandays are all completed during the employee's most recent 6-month benefit period under Group 2. *Qualifying mandays will include only mandays worked from both Group 2 and Group 1 employment. Group 3 mandays cannot be used to continue Group 2 eligibility, but may qualify for Group 3 eligibility.* Once a manday has been used to establish initial or continuing eligibility, it cannot be reused to establish or further extend an employee's eligibility.

REESTABLISHING GROUP 2 ELIGIBILITY:

To reestablish eligibility that has lapsed due to insufficient qualifying mandays, 120 qualifying mandays must be worked in a consecutive 12-month period beginning after Group 2 eligibility lapsed. *Qualifying mandays will include only mandays worked from both Group 2 and Group 1 employment. Group 3 mandays cannot be used to reestablish Group 2 eligibility.*

GROUP 3

Participants who are employed in the following work categories will have mandays credited toward Group 3 eligibility:

- Employees working under the ASM or Matson Extra Maintenance Agreements – Extra Maintenance Personnel (casual standbys)

Participants who become eligible under the following Group 3 eligibility rules qualify for USPHS Replacement Program benefits under the Plan for themselves only; there is no dependent coverage for these participants.

FOR INITIAL GROUP 3 ELIGIBILITY:

An employee will be required to work 120 qualifying mandays in a consecutive 12-month period to be entitled to Group 3 eligibility. *Qualifying mandays will include mandays worked from Group 3, Group 2 and Group 1 employment.* 6 months of coverage will be provided starting with the 1st day of the month following completion of the 120th qualifying manday.

CONTINUING GROUP 3 ELIGIBILITY:

After establishing initial eligibility, an employee will extend the initial 6-month benefit period by working a minimum of 60 qualifying mandays within that 6-month benefit period. Upon completion of the 60th qualifying manday, coverage will be rolled forward to provide 6 months of continuing coverage measured from the first day of the month following completion of the 60th qualifying manday. Each new period of 60 qualifying mandays will roll forward an employee's eligibility for up to 6 months. *Qualifying mandays will include mandays worked from Group 3, Group 2 and Group 1 employment.* Once a manday has been used to establish initial or continuing eligibility, it cannot be reused to establish or further extend an employee's eligibility.

REESTABLISHING GROUP 3 ELIGIBILITY:

To reestablish eligibility that has lapsed due to insufficient qualifying mandays, 120 qualifying mandays must be worked in a consecutive 12-month period beginning after Group 3 eligibility lapsed. *Qualifying mandays will include mandays worked from Group 3, Group 2 and Group 1 employment.*

HOW THE CHANGE AFFECTS CURRENT EMPLOYEES WITH ELIGIBILITY:

For Group 1 Eligibility, the Plan will review shipping from May 1, 2004 through April 30, 2005.

For Groups 2 and 3 Eligibility, the Plan will review shipping from November 1, 2004 through April 30, 2005.

The following chart outlines examples of how the eligibility benefit periods will be determined under Group 1, Group 2 or Group 3 for an Employee who has worked a minimum of 60 days within three different time periods. With regard to the examples, Group 1 eligibility assumes all mandays were worked in Group 1 employment, Group 2 eligibility assumes that all mandays were worked in Group 2 employment or in combination with Group 1 employment; and Group 3 eligibility assumes that all mandays were worked in Group 3 employment or in combination with Group 1 and/or Group 2 employment. Again, these are just examples, and your eligibility Group and eligibility benefit period will be determined based on actual mandays worked through April 30, 2005.

Mandays Worked

If a minimum of 60 days were worked January 2005 through March 2005:

Group 1: The eligibility period is the 12 month period April 2005 through March 2006.

Group 2: The eligibility period is the 6 month period April 2005 through September 2005.

Group 3: The eligibility period is the 6 month period April 2005 through September 2005.

Mandays Worked

If a minimum of 60 days were worked in November 2004 and December 2004:

Group 1: The eligibility period is the 12 month period January 2005 through December 2005.

Group 2: The eligibility period is the 6 month period January 2005 through June 2005.

Group 3: The eligibility period is the 6 month period January 2005 through June 2005.

Mandays Worked

If a minimum of 60 days were worked in May 2004 and June 2004:

Group 1: The eligibility period is the 12 month period July 2004 through June 2005.

Group 2: Coverage terminates May 1, 2005 as there have been no mandays worked beyond November 1, 2004.

Group 3: Coverage terminates May 1, 2005 as there have been no mandays worked beyond November 1, 2004.

It is important to note that the Plan will be track-

ing an employee's eligibility for benefit coverage separately based on work in each Group category. For example, if an employee loses Group 1 eligibility, the Plan will look at the mandays credited towards the other two eligibility Groups to determine if the Employee still has either Group 2 or Group 3 eligibility. Once an employee's eligibility under any Group lapses, that employee can only reestablish eligibility under that Group by once again satisfying the initial eligibility rules of that Group based on qualifying mandays since eligibility lapsed.

Active participants can contact the SUP Welfare Plan at 1(800) 796-8003, if they have any questions pertaining to eligibility for Plan benefits.

Although these new eligibility rules represent a return to the eligibility system that the Sailors' Union bought out of the 1984 wage package, the membership should be aware that for the Union Trustees the decision to make this change was a slow and painful one. We resisted for more than two years while the employer trustees attempted to first deny and then to sidestep their funding obligations.

During that time, the employers demanded far more drastic changes beyond eligibility, including new HMO plans with reduced services, enormous co-pays for active members, elimination of any co-pay reimbursements, a lifetime cap on claims, high deductibles and reductions to dependent coverage. Meanwhile as previously reported, the SUP Welfare Plan's Regular Account continued its deficit spending, threatening the stability of the Plan and all its benefits. These changes were connected to the Employers beginning to make good on their obligations going forward and therefore helped ensure the continued viability of the Plan.

Although the change in eligibility for benefits may affect some, for those who continue to work, the change is minimal. Eligibility for benefits under the SUP Welfare Plan remains second to none in the maritime industry and is far superior to the rest of the American workforce.

CHEVRONTEXACO SHIPPING COMPANY

In accordance with the 2004-2007 collective bargaining agreement between the SUP and ChevronTexaco Shipping Company, wages and overtime rates were increased by 3% on February 1. Vacation pay increased from 19 to 20 days for each 30 days worked.

ChevronTexaco also announced a special bonus of 6%, agreed to by your secretary on February 3, that is subject to membership approval.

The agreement concerning the bonus is as follows:

This agreement between Chevron U.S.A., Inc. ("the Company" and Sailors' Union of the Pacific, AFL-CIO, ("the Union"), concerns the six percent Special Bonus announced by the Company on February 2, 2005. This bonus is in recognition of employee performance associated with helping produce ChevronTexaco's best year ever in 2004, enabling the Company to tie for No. 1 in total stockholder return for 2000-2004, and creating our strong improvement in absolute return on capital employed, which put us among the top in our peer group. It is understood and agreed by and between the Union and the Company that:

1. The special one-time bonus will be calculated as six percent of 2004 regular base pay plus the straight time portion of regularly scheduled overtime excluding premiums, differentials, allowances and unscheduled overtime (the definition of regular base pay is at the sole discretion of the Company). The bonus is not part of regular earnings used to calculate benefits.

2. Eligible employees, all regular full-time and part-time employees active on February 2, 2005 (unless on certain identified leaves) and have 2004 earnings, will receive the special one-time bonus as calculated by the Company.

3. The special one-time bonus payment will be made as soon as practicable in the Company's discretion.

The company indicates that the Special Bonus will be paid on February 22.

Recommend membership approval.

President's Report continued

In addition to the wage increase, the increase in vacation days and the 6% Special Bonus, SUP members employed by the company will receive an additional bonus of 8½% on 2004 W-2 earnings as part of the company's Success Sharing Program negotiated with the Union in 1995. The Success Sharing bonus will be paid on March 7.

FOSS MARITIME COMPANY

In accordance with the 2004-2008 collective bargaining agreement between the SUP and Foss Maritime Company, covering the company's bunkering operation in San Francisco Bay wages will increase 1.5% effective March 1. Overtime rates will increase under the straight-time and one-half formula.

SHIPPING RULE 51

It has come to the attention of your secretary that recently some members have gotten off ships without finding out if they've been relieved.

All hands should be aware of SUP Shipping Rule 51: "Any member quitting a ship and not properly relieved through the Hiring Hall will not be allowed to register for ninety (90) days unless special conditions warranted such quitting."

ESTATE OF MAXIE KORENBLATT

The SUP was notified on January 31, by the estate of Maxie Korenblatt, that Brother Korenblatt who died on September 12, 2003, willed to the Union \$476,599.27, which was almost all of his estate.

As reported when he passed away, Maxie was born in Pennsylvania on November 15, 1906, and started going to sea after the disastrous 1921 strike which turned into a lock-out of Union sailors by the U.S. government and the shipowners. In order to ship in those days, you had to go through a government-controlled hiring hall. The only exception nationwide were the SUP hiring halls on the West Coast where sailors were dispatched to the coastwise steam schooners and the vessels of the Oceanic Steamship Company on the Australia run.

Always with a strong sense of right and wrong, Maxie fought to improve conditions aboard ship during the bleak days of the maritime labor movement as a member of the Industrial Workers of the World (IWW) and the Eastern and Gulf District of the old International Seamen's Union of America. When he was on the beach he scratched out a living as a prize fighter.

Transferring to the SUP in 1938, Maxie quickly became a rank-and-file leader that was fiercely dedicated to the Union in its struggle to gain recognition and respect. A master of parliamentary procedure, Maxie took on all challengers at Union meetings that attempted to capture the Union for their own political interests—particularly those of the Communist Party.

Maxie was also a prolific writer, authoring many articles in the *West Coast Sailors* during the 1940's and 1950's.

In the 1960's and 70's, Maxie ran the Union's Andrew Furuseth School of Seamanship, teaching not only marlinspike skills, but the nature of work as a Union man. His example and wise words influenced a whole generation of SUP sailors.

Maxie's posthumous gift truly reflects his dedication and love for the Sailors' Union of the Pacific.

ACTION TAKEN

M/S to approve ChevronTexaco Special Bonus. Carried unanimously.

M/S to accept the balance of the President's report. Carried unanimously.

Gunnar Lundeberg

Vice President's Report

February 2005

SUP Welfare Plan

As the membership works to understand and adapt to the new eligibility rules keeping the following points in mind may be helpful.

1. Health care costs are out-of-control. As the President/Secretary-Treasurer has reported several times over the past two years, health-care costs for the SUP Welfare Plan mirror the national trend and continue to sky-rocket. The medical services component of the Consumer Price Index is routinely in double digits, usually more than five times the inflation rate.

Over the past three years, the Kaiser Foundation discovered that the average premium payment has increased 50%. For the SUP Welfare Plan it's been even higher, and the Plan pays those premiums out to HMO's and PPO's at the rate of more than \$55,000 per month.

In the United States, most workers pay for some portion of their coverage (69% pay something for family coverage and 59% pay something for employee coverage). One survey showed that the average employee share of premium costs would increase by 14%. Another survey showed that 85% of health-care plans expected to increase the retiree share of premium contributions.

Many plans are experiencing dramatic cuts in benefits, huge co-pays increases are as common as new or increased deductibles. Some employers are eliminating medical benefits entirely. For example, in 1999, 75% of all Unionized workers in private industry received health care benefits, while today the figure is at 60%. Of

course, in the nonunion sphere, the trend is much worse. Wal-Mart is the perfect example: many of their employees have only charitable and public assistance as options for health-care. In light of these trends, our eligibility changes, are by comparison relatively minor.

2. We are protecting benefits. These changes govern only how you become and stay eligible for benefits, not the benefits themselves. In fact, it is partly through these changes (together with increased contribution rates) that we are able to maintain benefits as they are.

3. With these changes, you get what you pay for. The difference in contribution rates goes back to 1984, when the membership set aside \$4.00 for "extended" coverage from six to twelve months. This contribution rate difference between ASM and Matson Offshore (\$52.34 per day) vs. casuals (\$14.08 per day), for example, was too extreme to support a full year of coverage for all participants, spouses and dependents. The contributions associated with casual work simply were not able to pay for the coverage. Therefore, the Plan was forced to separate out the different groups of work based on the contribution rates associated with the work. Separating out different eligibility groups allows the Plan to maintain benefits the same as before for all, but to extend coverage in accordance with the contribution rates associated with the work. Military contracts, Foss and the San Francisco Bar Pilots contribution rates are in line with six months of coverage.

4. For those that continue to work, the change is minimal. Eligibility for those that sail under the Matson and ASM Offshore Agreements will remain mostly the same. For Group 1, it's still 60 days for 12 months of coverage and 120 days for initial eligibility. Restoration of all lapsed eligibility is 120.

Because of the rolling anniversary/eligibility date concept, those that continue to work will have their 12 or 6 month eligibility rolled forward based on the new qualifying period (1st of the month after 60 days or 120 days). As long as sailors continue working, their eligibility for benefits rolls forward and they will not experience any reduction in coverage period. Sailors who do not work and lapse in eligibility will be required to work 120 days to re-establish eligibility.

Finally, the new eligibility system is not connected to the uncertainty of the LMSR contract (see President's Report). On the contrary, changes are necessary regardless of the outcome of that dispute, mainly because of the outrageous explosion in health-care costs. Your Union Trustees will continue to review and monitor the status of the Plan and to advise participants of that status.

Ships Checked

USNS Seay—delegate Dan Gunning. Call from the bosun in Fujjarah indicates ship finished the long backload and headed home. Enormous amount of work completed safely without a single disputed hour. Questions from all the LMSRs on the future of our work abound. No matter what happens, and anything could happen, the numerous incentives and outstanding opportunity in the SUP will keep most of these sailors members for many years to come. As the Roman poet Horace put it: "Who knows whether the gods will add tomorrow to the present hour?" We're going to work until the work is done. Do not trust any LMSR information that does not come from the SUP.

USNS Fisher: delegate Dean Gross. President's Day is the holiday in the LMSR contract.

USNS Bob Hope: delegate Mike Orton. Running smooth in the tropical heat of the southern Indian Ocean. Everyone working.

USNS Benavidez: delegate Noel Isumaru. Departed safe haven in southern Indian Ocean for a load port in the Mid-East.

USNS Yano: delegate Jennifer Corner. The Union is investigating a controversial termination in Diego Garcia.

USNS Piilaaau: delegate Steve Thompson. Clarification on holidays and Imminent Danger Pay which is still payable at the rate of 225.00 per calendar month in the zone.

APL Singapore: delegate Rhonda Benoit. Clarification on short-handed rate.

APL China: delegate Roger Berioso. Clarification on holidays. Section 19 says that whenever "the national holiday structure is changed" the parties will address the issue. That has been addressed in the form of observing the holiday on Monday when the actual date holiday falls midweek or on the weekend.

President Wilson: delegate Rolando Mendoza. Still investigating fuel cleanup dispute.

Foss Maritime Company: delegates Tom Tynan and Mike Worth. Attended two meetings on personnel and disciplinary issues. Several safety issues raised with the Company, including gangways, piling caps, lighting, and barge venting. Training program finalized settling three long-standing grievances. Working on an accelerated grievance procedure. The Union is grateful for the continuous hard work of these delegates.

San Francisco Bar Pilots: delegate Terry O'Neill. Delegate testified in Sacramento before the Little Hoover Commission hearing on Governor Schwarznegger's plan to "blow up the boxes" of state government by eliminating 119 state boards and commissions, including the state's Board of Pilot Commissioners. On economic, democratic and professional grounds, O'Neill defended the Board as the best way to regulate pilots in San Francisco Bay. At the conclusion of the hearings the Little Hoover Commission opposed the elimination of the boards and the Governor backed off (for now) on the reorganization plan.

Dave Connolly

Master stabbed to death on tanker

The master of the *Overseas Josefa Camejo* was stabbed and killed by another member of the tanker's all-Filipino crew on February 3. The vessel was awaiting a North Sea pilot when the incident happened.

The suspect, believed to be a cadet, disappeared after the stabbing and a search is currently underway by both the Devon and Cornwall police and the British Maritime & Coastguard Agency. The police conducted a full search of the 112,200dwt Marshall Islands-flagged tanker. The 2001-built vessel is owned and operated by the Overseas Shipholding Group. The vessel was en route from Venezuela to Sweden with a cargo of crude oil when the incident occurred.

SUP Branch Reports

Seattle

January 18, 2005

Shipped the following: 2 Boatswains: 1 B returned after shipyard lay-up; 1 B to a Navy bottom; 7 Able Seaman berths filled by 4 A's; 2 B's and 1 C. Three of these slots went to Navy bottoms. We shipped 5 standby jobs, all filled by B members.

Registered the following: 8 A cards for a total of 37; 8 B cards for a total of 22; 4 C cards for a total of 21.

Ships Checked

Kauai, Lihue and *Maui* all checked out and running smoothly. The *Maui* will go into Todd Shipyard here in Seattle for two weeks. Shipping in the LSMR/Navy bottoms continues to be good but shipping is slow here in the Northwest at this time.

I attended the Puget Sound Harbor Safety meeting and the King County Labor Council Port Coalition meeting. While aboard one of the ships calling in Seattle recently, I was alerted by the SUP delegate that a crew member was behind two quarters in dues. When I asked the sailor why he had not paid dues he replied that he believed he only paid in his home port. This fellow is a good Union man and he promptly squared up; but my message to some of you members who have recently started sailing with the SUP is you must be current in your dues anytime a Union representative comes aboard your ship or you may be replaced by a member who is in good standing with his or her dues, regardless if you have your time in or not.

Working together with pensioners Jim Anderson and Bill Mawhinney, I responded to a call from a neighbor of pensioner Linden Brown whom we found lying on the deck of his apartment. We were able to put "Brownie" into a nursing home where he passed away several weeks later. If you are a SUP pensioner or a retired seaman living alone and getting close to "letting go lines" you should think about going to "Snug Harbor," commonly referred to as the "old sailors home," which is geared up for ageing or ailing mariners. They have a first rate

facility down in North Carolina, private quarters, good sea stories, and you won't die alone.

Vince O'Halloran, Branch Agent

Wilmington

January 18, 2005

Shipped the following: 5 bosuns, 8 ABs, 10 AB maints. and 52 standbys, for a total of 75 jobs shipped.

Registration is as follows: 43 A members, 32 B members, 7 C member and 5 D registrants.

Ships Checked

President Adams: OK, Duke Maringer, delegate. *Manukai*: OK, Rob Morgan, delegate. *R.J. Pfeiffer*: OK, Jim McGee, delegate. *President Polk*: OK, Dan Gabaree, delegate. *Maunawili*: OK, Paul Barbour, delegate. *APL Thailand*: Diane Ferrari, delegate. Section 9B, if 3:00 p.m. knockoff is in effect, the two hours between 3:00 p.m. and 5:00 p.m. shall not be deducted from accumulated time back. All time back owed was paid. *Matsonia*: OK, John Savage, delegate. *President Truman*: Jesper Pfeil, delegate. If the ship returns to the States from a foreign voyage and hits L.A. and a man's time is up, and the ship has not returned to the port, he signed on (Seattle) and is not hitting a port closer to Seattle than L.A. (Oakland), then the company makes the travel and ticket arrangements to Seattle, and not the crewmember. If the crewmember wants to make his own arrangement, then he's entitled to the travel fare in his payoff, plus \$15.00 limousine fare in both instances. If he quits the ship, he gets nothing. Section 17. A,B,C,D,F, General Rules. *APL Singapore*: OK, Charles "Roadkill" Butler, delegate. *President Grant*: OK, Norman Kurtz, delegate. *APL Korea*: OK, Anthony Labor, delegate. Transportation is payable from San Francisco to Middle Harbor Terminal in Oakland, \$7.60 taxi fare and \$2.05 BART fare also (page 23, Appendix B). If you put in your time aboard ship, you are entitled to the same fare back. *President Jackson*: OK, Dennis Tinsley, delegate. *APL China*:

rooms. Claimed lodging for one sailors which was paid.

R.J. Pfeiffer—Jim McGee, delegate, Tom Larkin, bosun: Triangle run; no disputes.

President Grant—Norm Kurtz, delegate: Voyage pay off. In from San Pedro; no disputes; good gang.

President Wilson—Rolando Mendoza, delegate: Voyage pay off. Disputed time was agreed to be paid by the Captain, but labor relations refused to pay it because the crew refused the work, which was the oil cleanup in the hold. Still beefing it out. Lots of crew turnovers.

APL Singapore—Don Bohle, delegate, Frank Portanier, bosun: voyage pay off. Lodging claim for two sailors paid. In good shape. Going to shipyard for several weeks. Crew to be coming home.

APL Thailand—Diane Ferrari, delegate: Voyage pay off. All disputes were settled in Wilmington by our agent Keith Miller.

ASM Shoregang—Running smoothly. Also worked in the front office during the month.

Bill Berger

OK, Dave Hiebert, delegate. *Mokihana*: OK, Art Pond, delegate.

Took care of the duties and responsibilities of the port for the membership during the period. We were happy to have President Lundeborg attend our meeting. He gave his report and explained in full the contract signed with the SUP and ASM concerning the commercial fleet. He answered many questions and it was a very informative and interesting meeting. The Wilmington Branch unanimously ratified the ASM agreement

Keith Miller, Branch Agent

Honolulu

January 18, 2005

During the month of December, shipped the following: 4 ABs, 2 AB maints., 4 ABDs, 2 ABW returns. These jobs were filled by 5 A members, 5 B members, and 2 C members. Also shipped 39 standby jobs filled by 5 A members, 4 B members, 21 C members, and 9 D registrants, for a total of 51 jobs shipped.

During the month of December, registered the following: 8 A members 11 B members, 5 C members, and 1 D registrant. To date registered are: 13 A members, 15 B members, 8 C members, and 3 D registrants, for a total of 39 registered.

Ships Checked

Maui, Lurline, Matsonia, Kauai, R.J. Pfeiffer, Lihue Maunawili and *Manukai*. All with few or no beefs. Paint and rigging gang running smoothly with Monte Kalama as bosun.

On January 19, attended the Hawaii ports council meeting. Discussions on Hawai'i State AFL-CIO's 2005 legislative program and preparations for our annual scholarship grant.

Honolulu waterfront awash with scuttlebutt on the new OceanBlue shipping venture and Pasha-Hawaii's imminent entrance into the ro-ro trade. Matson Navigation Company is sitting around with its head in the sand as usual.

Wish to congratulate the newly elected MFOW official and also wish "Whitey Disley and Bobby Iwata an enjoyable retirement.

Mike Duvall, Branch Agent

Jacksonville

January 2005

For the month of January, two AB's and one OS were dispatched to USNS ships. These jobs were filled by one B and two D-cards.

Ships Checked

Chervon Arizona Voyager—Boarded in Pascagoula, MS on January 10. Lee Crandley is the delegate and Mike Fox, the Bosun. A great gang aboard this ship and all thank Gerryann Jurva for her outstanding performance as Steward. No beefs.

USNS Shughart—Boarded at Lambert's Point in Norfolk, VA on January 18. Jerry Masticola is the delegate and Brian Yost, the Boatswain. The gang continues making repairs in preparation for their COI. It has been a cold January and there have been continual outages of heat and hot water because of electrical problems. Patriot was notified on each

occasion and corrective action taken. Likewise, pay checks were being received two and three days late. Patriot advised the problem would be corrected and since the checks are received on a timely basis.

USNS Gilliland—Boarded at the CSX Docks in Newport News, VA on January 18. Mike Boyle is the delegate and Al White is the Bosun. Ship is preparing for turnover to AMSEA on January 28. Morale is good despite the circumstances; and the gang is determined to turn the vessel over clean, proud and in fine SUP style. No beefs.

USNS Fisher—Boarded in Violet, LA on January 23. Jonathan Branch is the delegate and Kelly Eggers is the Bosun. Morale is high and gang glad to be state-side after a long voyage from the Middle East around the Cape of Good Hope. All enjoyed shore leave in Capetown. The Chief Mate told the Port Agent what a great gang was onboard and how much they appreciated SUP professionalism. No beefs.

It is important that East/Gulf Coast LSMR SUP members keep their dues current and pay their initiation fees timely. It is your dues money that pays for representation and allows the Union to function. Moreover, you will not be allowed to register if you are arrears in dues. It is understandable that many LSMR sailors send their dues to Headquarters or to Jacksonville, but always send a check or money order. Cash can not be accepted when mailing dues for it may become lost in the mail and you'll have no record of payment. Thanks to all SUP members sailing on the LSMR's in support of Operation Iraqi Freedom Phase Three. Your hard work and dedication is appreciated!

Bud Yost
SUP East/Gulf Coast Rep

Dispatcher's Report

Headquarters—Jan. 2005

Deck	
Bosun	3
Carpenter	0
MM	5
AB	21
OS	0
Standby	14
Total Deck Jobs Shipped	43
Total Deck B, C, D Shipped	12
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. ...	43
Total B, C, D Shipped-All Depts. .	12
Total Registered "A"	72
Total Registered "B"	68
Total Registered "C"	9
Total Registered "D"	10

SUP member joins pension ranks

The following SUP member joined the rank of pensioner, bringing the total number of SUP members to 804:

Rafael Cooper, 74, Book No. 4687, joined SUP in 1952, 40 years seetime.

San Francisco Business Agent

February 15, 2005

Lihue—Ian McCloud, delegate: In from Seattle, replaced the *Maui* for one trip. No disputes. Made twice during the month.

Lurline—John Gabourel, delegate: Van and car carrier. No disputes; in good shape. Made twice during the month.

Mahimahi—Robert Greene, delegate: Voyage pay off. No disputes.

Manoa—John Fernandez, delegate: Voyage pay off. Restriction at Nantong, not payable. Immigration regulation is that passes be picked up and sealed for the next port.

Maui—Chuck Maringer, delegate: In from Seattle shipyard. Back on schedule to Hawaii run. No disputes. Made twice.

Mokihana—Harry Naole, delegate, Randy Coady, new bosun: Voyage pay off; no disputes.

Moku Pahu—Eric Williams, delegate: Voyage pay off. Air conditioning on the port side not working since shipyard; no excuse for not being repaired in Honolulu. Also, fan broken in two rooms, one sailor sleeping in passageway; too hot in