Official Organ of the Sailors' Union of the Pacific

SAN FRANCISCO, CALIFORNIA Friday, July 22, 2005

American President Lines will operate U.S.-flag vessels and adopt & assume American Ship Management agreements

Historic decision maintains work for Sailors' Union, MFOW, SIU-Marine Cooks, MM&P, MEBA, ARA

esolving an issue that has haunted sailors aboard its ships for over a year, American President Lines, Ltd. notified its contracted seagoing Unions on July 13 that effective October 1, 2005, it would again be operating the APL U.S.-flag fleet directly through an affiliated company, APL Marine Services, Ltd.

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The move follows months of speculation as to who APL would designate to operate its vessels when the new Maritime Security Program (MSP) begins on October 1. Potential candidates were the incumbent operator, American Ship Management, American Automar Inc., an APL affiliate that has collective bargaining agreement with the SIU-AGLIWD/NMU and the American Maritime Officers (AMO), an unknown entity or APL itself.

For over 149 years, the seagoing Unions had a direct collective bargaining relationship with APL and its predecessors. In 1991, maritime labor began an intensive five year campaign to pass legislation to keep U.S.flag companies in the foreign trades. This was a critical imperative since the Operation Differential Subsidiary provisions of the Merchant Marine Act of 1936 were due to lapse in 1997. Although this subsidy program had served the nation well since its enactment, there was a lack of political will in the White House and the Congress to extend it.

APL, along with other carriers, made it clear that if a new passed, that it would flag-out its fleet. The legislation, the Maritime Security Act, was finally passed by Congress and signed into law on October 8, 1997, by President Clinton, but APL persisted with its threats to abandon the American flag and American mariners if "acceptable" collective bargaining agreements could not be reached with its seagoing Unions.

The SUP, MFOW and SIU-Marine Cooks after long contentious bargaining reached agreement with APL in December 1996. The company then signed MSP Operating agreements with the Maritime Administration the following month. Because of those negotiations, the Union prevented massive job losses.

Uncertainty over the future of maritime program was not the APL work again occurred in April 1997, when the company was bought for \$825 million by Singapore-based Neptune Orient Lines, Ltd. (NOL).

Although APL was finally enrolled in the then new Maritime Security Program, the enabling legislation prohibited foreignowned companies from operating MSP vessels directly. The law required that only U.S.-citizen companies as defined by Section 2 of the Shipping Act of 1916 could operate the vessels. Hence, legal title to APL's MSP vessels was transferred to a Trust pursuant to Section 1136 of the Coast Guard Authorization Act of 1996 and the Trust bareboat chartered the vessels to American Ship Management, a U.S.- citizen company owned by former senior APL employees with decades of operating experience. ASM in turn, chartered

the vessels back to APL.

In October 1997, the SUP, MFOW, and SIU-Marine Cooks (comprising the SIU-Pacific District) signed and ratified agreement that transferred APL's collective bargaining agreements to ASM. On November 12, 1997, after being vetted by several government agencies, the NOL purchase of APL was approved and the ASM era began and the APL relationship entered a period of dormancy.

Under the new Maritime Security Program enacted in July 2004, Section 2 citizenship was eliminated as a requirement for companies such as APL to hold MSP operating agreement with the Maritime Administration.

Therefore, although ASM was and remains a first-class operator, APL was not obligated to use them as ship managers for citizenship purposes.

In meetings and communications with SUP President Gunnar Lundeberg, APL has stated that it will assume ASM's ten-year collective bargaining agreement (October 1, 2005 through September 30, 2015) without any changes, effective October 1, and will assume the SUP/ASM Maintenance Agreements effective August 1, without any changes.

In commenting on the decision by APL, Lundeberg stated that, "The news is a decisive point in the history of SUP. The threat of the loss of the APL jobs has been hanging over the head of the membership like the sword of Damocles for many years. We look forward to renewing the Union's relationship with APL."

/latson capitulates Hawai'i strike averted

Membership ratifies agreements

acked by the militancy of the membership manifested by a coastwise strike vote and the support and solidarity of the labor movement on the West Coast and Hawai'i, the SUP compelled Matson Navigation Company to listen to reason at the bargaining table and ultimately on June 29, came to agreement on all outstanding issues.

The primary bone of conten-

Committee on Constitution Report: Page 5

tion was "moneybags" Matson's failure to comply with its contractually mandated duty to the members and families of the Union to meet its financial obligations to the SUP Welfare Plan. After months of intransigence and bad faith bargaining, the company agreed to comply.

Agreement was also reached between the SUP and Matson on wage increases and work rule changes under the shoreside

Maintenance Agreements and with the SUP, MFOW and SIU-Marine Cooks, bargaining as the SIU-Pacific District, over increases in wage and wage-related items in the existing Matson fleet.

The agreements were ratified by the SUP membership at the coastwise meeting this month. For more information, see President Lundeberg's report on



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SUP Training Schedule: Page 8 ESU NEWS: Pages 6 & 7

SUP Honor Roll

Voluntary contributions from the membership to the following funds:

Organization/ **General Fund**

West Coast Sailors

Jose Angeles 20.00	Gera
Jack Dalton 40.00*	Jay I
John Drolla 40.00	Curti
Mike Duvall 20.00*	Geor
Ulysses Estigoy 10.00	Fran
Barry Fisher 10.00	John
Joanne Gabellini 50.00	Willi
Gunnar Lundeberg 100.00	Mary
John Nunes 80.00	Robe
Terrance O'Neill 20.00*	Clare
Mark Pfaff 10.00	Davi
Frank Portanier 20.00*	Ever
Gary Rymel 20.00*	Rola
*In lieu of dues increase.	Mark
	Joe N

Political Fund

Dennis Belmonte 100.00
Stephen Campbell 100.00
Dave Connolly 100.00
Kevin Conroy 30.00
Steven Crute 50.00
Ed Drake 10.00
Mohamed ElMobdy 30.00
Barry Fisher 10.00
Steven Foster 10.00
Allen Gonzalez 20.00
Mark Hargus 40.00
James Hoover 50.00
Phil Howell 50.00
Jan Johnsson 20.00
Robert Jones 20.00
Kaj Kristensen 20.00
Jose Lopez 10.00
Gunnar Lundeberg 50.00
Dennis Murphy 100.00
Jose Obsuna 10.00
Dave Pangan 20.00
Tim Savage 20.00
Gregg Schauf 20.00
Tulilo Tautala
Morris Thibodeaux 100.00
Timothy Thomas 100.00
Bill Timmerman
Remoni Tufono 100.00
Grant Wegger 50.00

Gallors	
Gerald Allen 2	25.00
Jay Dillon 2	20.00
Curtis Dowling 2	20.00
George Elinoff 2	25.00
Frank Enright 3	35.00
John Folcarelli 2	20.00
William Geyer 2	25.00
Marvin Glasgow 2	25.00
Robert Hampshire 5	50.00
Clarence Hartwig 2	25.00
David Hiebert 1	0.00
Evert Johansson 2	25.00
Roland Kula 2	25.00
Mark Lance 2	20.00
Joe Mantanona 2	20.00
Reynold Minoli 2	20.00
Dennis Murphy 10	00.00
Donald Steffens 5	50.00
John Thompson 2	20.00
Charles Weber 2	25.00
Fletcher Wingfield 2	25.00

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



Washington state law gives Korea & Vietnam War mariners veteran status

Thanks to the persistent efforts of SUP pensioner Ronald Springer, the Washington State Legislature has passed and Governor Christine Gregoire has signed a bill granting veteran status to Korea and Vietnam War merchant mariners.

To be eligible, a mariner must have service aboard an oceangoing vessel operated by the Department of Defense, or its agents, from June 25, 1950, through July

SUP Meetings

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

	Hdqs.	Branch	
August	8	15	
September	12	19	
October	11*	17	
November	14	21	
December	12	19	
	*Tuesday		

27, 1953, in Korean territorial waters, and from August 5, 1964, through May 7, 1975, in Vietnam territorial waters.

Final Departures

Elmer Hunsaker, Book No. 5252. Born in California in 1926. Joined SUP in 1946. Died in Ruston, Louisiana, May 31, 2005. (Pensioner)

John M. Anderson, Book No. 3777. Born in New York in 1936. Joined SUP in 1955. Died in San Francisco, California. (Pensioner)

Paul Hettinger, Book No. 5678. Born on Colorado in 1923. Joined SUP in 1952. Died in Las Vegas, Nevada, June 11, 2005. (Pensioner)

Herman Kaakua, Book 2339. Born in Hawaii in 1917. Joined SUP in 1937. Died in Hawaii, June 14, 2005. (Pensioner)

Richard Russell, Book No. 3167. Born in Washington in 1932. Joined SUP in 1966. Died in Portland, Oregon, June 26, 2005. (Pensioner)

Martin Hoogendam, Book No. 5790. Born in Holland in 1933. Joined SUP in 1968. Died in Tigard, Oregon, July 4, 2005. (Pensioner)

William Brannon, Permit No. 19056. Born in California in 1953. Joined SUP in 2003. Died in California, July 2, 2005.

Louis R. Evans, Book No. 1644. Born in Ohio in 1916. Joined SUP in 1943. Died in Bothell, Washington, July 7, 2005. (Pensioner)

The Industrial Workers of the World celebrates 100 years: fanning the flames of discontent across the globe

One hundred years ago on June 27, 1905, William D. "Big Bill" Haywood, Secretary of the Western Federation of Miners, gaveled to order the founding convention of the Industrial Workers's of the World (IWW) at Brand's Hall in Chi-

"Fellow Workers!," he said to the delegates and spectators assembled, "This is the Continental Congress of the Working Class. We are here to confederate the workers of this country into a working-class movement in possession of the economic powers, the means of life, in control of the machinery of production and distribution without regard to capitalist masters."

In the audience were nearly 200 delegates from thirtyfour state, district, and national organizations-socialists, anarchists, radical miners and revolutionary industrial unionists. They were united in opposition to what they called "the American Separation of Labor's" craft unionism, conservative leadership, and non-classconscious policies, and by their desire to establish an industrial labor organization that would ultimately over-

Eugene V. Debs

throw the capitalist system and create a "cooperative commonwealth" of workers.

On the speakers' platform were Eugene Victor Debs, leader of the American Socialist Party and "Mother" Mary Jones, a woman of seventy-five with curly white hair and

gray eyes, who had been a labor agitator for almost half a century. Other well-known delegates were Daniel DeLeon, the sharptongued, erudite leader of the Socialist Labor Party; A.M. Simons, editor of the International Socialist Review; Charles



"Mother" Mary Jones

Workers' German-language newspaper; Father Thomas J. Hagerty, a tall, black-bearded Catholic priest who edited the American Labor Union's Voice of Labor; and Lucy Parsons, widow of one of the anarchists condemned to death following the 1886 Chicago Haymarket riot. Nicknamed the Wobblies, the IWW sought to recruit unskilled and exploited

O. Sherman, general secretary of the United Metal Workers; William E. Trautmann, editor of the United Brewery

immigrants, people of color, women and migrant farm workers who were excluded from craft unions of skilled workers organized by the American Federation of Labor. Seeking to build the "One Big Union" across industrial lines, the IWW enthusiastically promoted the concept of working class solidarity by adopting the motto "An Injury to One is an Injury to All", and the revolutionary tactics of direct action—which included sit down strikes, chain picketing, flying pickets, car caravans, and other organizing innovations. IWW organizing stretched from coast to coast, in factories, mills, mines, logging camps, agricultural fields, and waterfronts across the continent.

Confronted with brutal attacks from both employers and the State, including the

murder of Wobbly activists, the union led "free speech" fights to defend the right of workers everywhere to organize, speak out and dissent. The IWW's vocal opposition to World War I also led to the arrest and imprisonment of 165 IWW organizers. In the decades that followed, the Wobblies continued to organize among marginalized workers—frequently ignored by mainstream business unions and their vision of a militant, radical and democratic labor movement continues to inspire new organizing efforts to this day.

For more information on the Industrial Workers' of the World, log on to www.iww.org.

West Coast Lailors

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PENSION PLAN OFFICE

ILA denounces government for leaking information on racketeering civil suit

The International Longshoremen's Association, (ILA) this month sharply denounced the "shameful" tactics used by the U.S. Department of Justice in leaking information to the press regarding its intention to bring a lawsuit against the Union, even as the two sides were engaged in negotiations on a settlement.

In a press release, the ILA stated:

"The government's action is shameful. For over three years, the ILA has been engaged in intensive reform efforts and the government has been kept appraised, but has not until the last month even purported to have any interest in discussing a resolution.

"By leaking its intention to file a civil action against the ILA and its officers under the Racketeer Influence and Corrupt Organization Act (RICO) in the midst of negotiations, the government demonstrated it was not negotiating in good faith with representatives of the Union in seeking a resolution, but was rather intent on initiating an action in the press rather than in the courts that could have severe economic impact and devastating consequences on the operations of the ILA and the entire shipping industry.

"The leadership of the ILA is disappointed that the government has chosen to perpetuate an outdated stereotype of the ILA focusing on stale allegations of wrongdoing while ignoring long standing efforts by the ILA leaders to strengthen Union members' rights and to eradicate any unlawful conduct. These steps include the adoption of a Code of Ethics nearly two years ago and the creation of the position of an Ethical Practices Counsel, whose duties include "dealing with organized crime influences, corruption, and enforcing the provisions of the Code of Ethics.

"The Honorable Judge Milton Mollen, an individual whose life of public service has demonstrated impeccable character and honesty, serves as the ILA's Ethical Practices Counsel. Judge Mollen is authorized to independently investigate any allegations of wrongdoing by any representative of the Union and bring charges as appropriate. ILA members can utilize a toll-free telephone hotline to contact the Ethical Practices Counsel and provide information to him in confidence.

"Among the actions taken recently by

the ILA while engaged in talks with the U.S. Department of Justice included strengthening its 13-month-old Code of Ethics which all officers, members and staff must adhere to as representatives of the Union. The ILA also lengthened Judge Mollen's term as EPC and made permanent the position of Ethical Practices Counsel. The Union intends to incorporate its Code of Ethics and EPC position into the International's Constitution and By-Laws.

"Since he has become president, John Bowers has made the protection of ILA members' rights and the elimination of corruption within the Union a top and ongoing priority," the Union said. "The ILA leadership is entrusted to negotiate contracts on behalf of its membership, which President Bowers and others have done quite well for the past two decades. Our recently negotiated six-year agreement will bring prosperity to ILA members and stability for our employers at Atlantic and Gulf Coast ports. ILA Union officials are not law enforcement representatives with the same means to investigate wrongdoings as the Department of Justice has at its disposal. Still, the ILA has voluntarily instituted more reforms than any other Union or corporation.

"The ILA vehemently denies any wrongdoing by the Union and believes the organization should not be condemned for the acts of a few.

"We believe the ILA's commitment to honest trade Unionism and vigorous representation of its members' interest is second to none," the Union stated. "The Justice Department's intention to bring a Civil RICO suit against the ILA is an unwarranted and unnecessary attack on our entire membership and poses an economic threat to the Union and the commerce and security of the United States."

The Union reacted after the *New York Times* published an article on June 30 by William Rashbaum which said that the government was preparing to file a racketeering lawsuit. In addition, according to the article, prosecutors will ask a federal judge to permanently bar ILA President John Bowers, Secretary-Treasurer Robert Gleason and Executive Vice President Albert Cernadas, from playing any role in the Union or any of its pension benefit or welfare funds.

Kvaerner shipyard mogul jailed in Norway

Kjell Inge Roekke, the Norwegian entrepreneur whose empire incudes Kvaerner Philadelphia Shipyard, has been sentenced to 90 days in jail over bribes paid for a license to skipper his yacht.

A court in Norway found that Claes Pallin, the civil servant who issued Roekke's master's certificate, received money from the businessman and wrote the license without ever holding an exam as required by the law. Pallin and two others were also found guilty of taking bribes and sentenced. Roekke was also fined \$15,300 and ordered to pay \$4,590 in costs. His lawyer is considering an appeal of the sentence.

The skipper license for sale scheme by the Swedish marine examiner was uncovered about four years ago. Norwegian businessmen paid \$5,000 to \$20,000 to obtain a mega-yacht skipper's license from the examiner. The training process to obtain such a license normally takes about 100 hours of extensive training.

USCG sued over alcohol policy

U.S. Coast Guard policies on casualty investigations were put in the spotlight on July 12, when the state of Massachusetts sued over policies for alcohol testing of tug operators involved in oil spills.

The federal lawsuit traces its roots to the April 2003 accident in Buzzard's Bay that left 327 tons of oil on state beaches.

The state is demanding that the Coast Guard finalize rules to mandate alcohol testing following such events after a Massachusetts law mandating the same testing was blocked in federal court by the USCG. The Coast Guard presently advises investigators to test for alcohol use within two hours of a casualty when possible. The final rules have been completed, Coast Guard sources say, but they are still being reviewed in Washington.

Matson sees gold in China trade

Matson Navigation Company expects to generate \$100 million in annual revenue from its new China service and also plans to double the number of combination vehicle-containerships in its fleet to four in as it competes with Horizon Lines and vehicle transporter Pasha Hawai'i Transport Lines, LLC, according to an article in the June 21 issue of the *Honolulu Star Bulletin* by Dave Segal.

The ocean transportation company's outlook was contained in prepared text for Matson President and Chief Executive Jim Andrasick that was mistakenly sent out to Hawai'i media on June 20 in an e-mail announcing a June 28 press conference.

Matson's two additional roll-on/roll-off containerships will come from the conversion of C-9 vessels that are deployed in Matson's Guam alliance service with American President Lines, Ltd. That 10-year alliance ends in February and will be replaced by the new China, five-ship service that will begin in Long Beach, California, and include stops in Hawai'i, Guam and in the Chinese ports of Ningbo and Shanghai before sailing back to Long Beach directly.

Andrasick said in the prepared comments that Matson, a subsidiary of Alexander & Baldwin, Inc., anticipates moving approximately 50,000 containers from China annually.

The ships that will be converted will join the *Matsonia* and *Lurline* as combination roll-on/roll-off containerships, along with one dedicated roll-on/roll-off vessel, the *Great Land*. With the conversions, each of the ships will have a

capacity of 1,000 vehicles and will bring Matson's annual vehicle capacity to 80,000 from 16,000 in 2003. The additional ships will allow Matson to offer vehicle transport service twice a week.

"Matson recently reached new multiyear agreements with Ford Motor Company and General Motors for the carriage of their vehicles to Hawai'i," Andrasick said. In addition, Matson has multi-year agreements with Dollar Thrifty Group, BMW, Mercedes Benz, Toyota and Nissan.

"Automobiles certainly are and have been an important part of Matson's business, and in order to remain competitive, it's necessary for the company to take advantage of any strategic advantages they have over Pasha," said analyst Jamelah Leddy of Seattle-based McAdams Wright Ragen. "Offering service twice weekly puts Matson in a position where it can offer flexibility and timing. One of the issues with respect to cars in Hawai'i is, if you're a rental agency or a dealership, you don't want extra vehicles too soon because there's not land to park them on."

Pasha Hawaii, which began San Diego-Hawaii service in late March, can carry up to 3,000 vehicles in a totally enclosed vessel. Brian Black, managing director for Pasha Hawaii, said he's not concerned by the additional competition. "There's obviously a reason why they're doing it," he said. "It's pretty much evident that the marketplace for a long time has needed the type of vessel we have. Our customer response has been very, very positive."

House clears MSP funding for FY 2006

Prior to taking its July 4 recess, the U.S. House of Representatives last month passed Fiscal Year 2006 funding bills that are crucial to supporting the U.S. Merchant Marine as America's Fourth Arm of Defense.

Full funding for the Maritime Administration's expanded and upgraded Maritime Security Program (MSP), which goes into effect on October 1 of this year, cleared the House on June 30, as part of a \$139 billion appropriations bill (H.R. 3058) that provides FY 2006 funding for the Department of Transportation and other departments and agencies under the Committee's jurisdiction.

Under the legislation, \$156 million is provided to help support the MSP fleet which will increase under the new 10-year program from the current fleet of 47 vessels to 60 American-flag merchant ships.

The MSP funding level approved by the House mirrors the amount requested by the Bush Administration in its FY 2006 budget message to Congress.

The legislation also earmarks \$112.3 million for MarAd's operations and training programs. The funding level marks a \$3.7 million increase over the amount appropriated for the previous fiscal year, but a \$1.3 million decrease from the level requested by the Bush Administration.

Of the \$112.3 million, \$68.85 million is provided to cover continued operations of the U.S. Merchant Marine Academy, which is consistent with the Bush Administration's budget request, and \$8.4 million above the FY 2005 funding level. The \$11.2 million earmarked to support the six state maritime schools represents a \$600,000 increase over the Bush Administration's budget request.

In addition, the House approved \$37.3 million to fund MarAd operations, representing a \$1.9 million reduction from the level sought by the Bush Administration.

The legislation provides \$3.5 million to fund MarAd's Title XI shipbuilding loan guarantee program, which is the same amount requested by the Bush Administration, but also a \$1.2 million decrease from the FY 2005 funding level.

Although the legislation does not provide any new funding to construct five product tankers under the National Defense Tank Vessel Construction Program, the House refrained from rescinding \$75 million provided in FY 2005, and from repealing the tanker building provision, as requested by the Bush Administration.

The appropriations bill also provides \$16.3 million to cover operations of the St. Lawrence Seaway Development Corporation, which is \$8.3 million above the level sought by the Bush Administration, and \$511,000 above the FY 2005 enacted level. The funding is derived from the Harbor Maintenance Trust Fund.

Significantly, the House turned down the Bush Administration's request to reestablish tolls on the U.S. portion of the Seaway.

Finally, the legislation provides \$20.5 million to fund the Federal Maritime Commission during the upcoming fiscal year, which is the same amount requested by the Bush Administration, and \$1.6 million above the level appropriated for FY 2005.

The Senate Appropriations Committee's Subcommittee on Transportation is scheduled to mark up its version of the FY 2006 appropriations bill on July 19, and its full Committee on July 21.

Source: AMC Washington Letter

Recent maritime legal decisions of note

Two Bites of an apple disallowed

In an unpublished decision, the U.S. Court of Appeals for the Fifth Circuit ruled that a plaintiff may not bring separate actions against different parties based on the same nucleus of operative facts.

In the instant case, plaintiff was injured when thrown from a boat. He sued the manufacturer of the outboard motor, the manufacturer of the boat, the retailer of the boat and motor, the boat owner/operator, and the insurance company of the owner/operator, alleging negligence and strict products liability under admiralty and under state law. The parties settled during the course of the trial and the actions were dismissed with prejudice.

Plaintiff then filed an almost identical suit against defendant. The court held that a litigant must bring all his causes of action arising out of the same occurrence in one lawsuit. Davis v. Teleflex Inc., No. 05-30051 (5th Circuit)

Shipowner not liable for amateur chiropractor acts

The U.S. Court of Appeals for the Seventh Circuit ruled that a shipowner is not liable for the acts of a crewmember who is an amateur chiropractor. In the instant case, plaintiff crewman was severely injured when another crewmember twisted (tractioned) his neck without consent. The crewmember was an amateur chiropractor and was attempting, albeit unsuccessfully, to relieve perceived muscle ache.

Plaintiff brought suit against the shipowner, alleging, among other things, vicarious liability and direct liability under the Jones Act. The court held that the shipowner is not vicariously liable because there was no evidence that the acts of the amateur chiropractor were within the scope of his employment (mate's assistant). The court further held that the shipowner was not directly liable because there was no evidence that it knew or should have known of the propensities of this crewmember. Sobieski v. Ispat Island, Inc., No. 04-3001 (7th Circuit)

False citizenship claim leads to conviction

R. Alexander Acosta, United States Attorney for the Southern District of Florida, Hal Robbins, Special Agent in Charge, Southeast Division, National Oceanic & Atmospheric Administration (NOAA), Keith Perniciaro, Acting Special Agent in Charge, Immigration and Customs Enforcement, and Jonathan Sall, Special Agent in Charge, United States Coast Guard Investigative Service, Southeast Region, announced on June 27, that defendant, David N. Straker, a citizen of Barbados residing in Virgin Gorda, British Virgin Islands, was convicted by guilty plea and sentenced by United States District Court Judge Paul Huck in Miami, Florida, in connection with the submission of false document to the United States Coast Guard, in violation of Title 18, United States Code, Section 1001. Straker, was sentenced to a one year term of probation and a fine of \$5,000, including a condition that he perform 15 hours of community service during each month he is resident in the United States.

According to the criminal indictment, statements in court, and court records, Straker purchased a U.S. flag fishing vessel, Hannah Lee, in Louisiana in October 2003. Shortly after the purchase, he executed an Application For Documentation to the United States Coast Guard in order to have the vessel transferred into his name. On the Application, he twice indicated and certified that he was a citizen of the United States. Under U.S. law, entry into certain regulated fishing activities is based on the issuance of permits by NOAA, and is restricted vessels of the United States. Foreign nationals such as Straker, may not document a vessel under U.S. law, and under certain circumstances must be under the direction of a captain who is a American citizen.

The Hannah Lee was operated as a long-line fishing vessel under the U.S. flag after being purchased by Straker and in fact had transshipped fish to the United States through Port of Spain, Trinidad.

Acosta commended the investigative efforts of the NOAA Office of Law Enforcement, United States Coast Guard Investigative Service, and Immigration & Customs Enforcement. Cases are being prosecuted by Assistant United States Attorney Thomas Watts-FitzGerald.

Maritime character of insurance is determined by examining whole policy

The U.S. Court of Appeals of the Second circuit ruled that the maritime character of an insurance policy is determined by examining the entire policy, not just the portion involved in a dispute. In the instant case, a ship tank cleaning business (through its corporate parent) purchased insurance from defendant insurer's predecessor in interest. The insurance contract contained a Shiprepairers Legal Liability (SLL) policy coupled with a modified Comprehensive General Liability (CGL) policy. The CGL policy was basically similar to one that might be issued to a shoreside business, but contained a number of maritime modifications. A subcontractor's employee was injured while cleaning the oil tank of a barge moored in New York Harbor and brought suit against the insured. The insurance company contended that the policy was maritime in nature and that the doctrine of utmost good faith applied. The insured contended that the maritime aspects of the policy were merely incidental and that state insurance law applied. The court held that an insurance policy's predominant purpose, as measured by the dimensions of the contingency insured against and the risk assumed, determines the nature of the insurance. Since the primary purpose of the policy in this case was to insure against risks related to ship tank cleaning, the court determined that it was maritime insurance. Folksamerica Reinsurance company v. Clean Water of New York, Inc.

Norwegians have shortest work week in Europe: Americans have one of the longest

Norwegians spend an average 38.6 hours on the job every week, compared to the average 40.2 hour week among the 25 nations forming the European Union. Latvians work the most, followed closely by the British. According to the U.S. Economic Policy Institute, Americans work an average of 51.8 hours a week.

The average standard work week in Latvia is 43.3 hours, compared to 43.1 hours in Great Britain. The figures come from a new survey conducted by the European labor institute EIRO (European Industrial Relations Observatory).

Not only do Norwegians have the

shortest work week in Europe, but they also have the shortest work week among other Nordic countries. The Swedes work an average 39.9-hour week, while the Danes and the Finns work 39.2 hours.

Norwegians don't, however, work the least in the course of the year. That's because there are fewer paid public holidays in Norway (nine, compared to 11 in Sweden, for example) and less paid vacation (five weeks, compared to six week in Denmark).

A recent proposal emerged to cut Norwegians' work day to just six hours, but it doesn't appear to have much political

Indonesian crew detained on piracy charge

The entire 21 crew members of a tanker have been detained by Malaysian marine policy on charges of sea robbery. The crew members, all Indonesians, have been accused of taking part in an armed attack on the tug Samudera Sindo 8 towing the barge Bash Aranda 7 carrying palm oil to Pasir Gudang port in Johor from Kalimantan in Indonesia.

Men armed with pistols and parangs (long knives) had boarded the barge in international waters east of Johor province on June 30 and siphoned off the cargo to a waiting tanker identified by the tug crew as *Palm Chem*. Malaysia's southern region marine policy commander ACP Abdul Azia Yusof confirmed that the vessel was located on July 3 about two nautical miles east of Johor and carrying 3,000 tons of palm oil, suspected to be the stolen cargo.

While Palm Chem is registered in Malaysia, Abdul Aziz described the vessel seized as Indonesian with the name Palm Cheam Chemical.

Flag-of-convenience skipper drunk on the job pleads guilty in English court

The Ukrainian master of the 1,394 dwt pleaded guilty in a local magistrate's general cargo vessel Hoo Tern has pleaded guilty to being over the alcohol limit five minutes before his vessel was due to sail from Southampton, England.

Inspectors from the Maritime and Coastguard Agency were onboard the vessel on July 5, when they suspected police were summoned and a breathalyzer test found Captain Dushyn to be four times over the legal limit. He

court the following day. However, the case has not been referred to Crown Court as the judge did not feel that she had sufficient sentencing powers.

The *Hoo Tern* is owned and operated by Lapthorn Shipping and is Britishflagged. The ITF recently designated the the master had been drinking. Maritime Lapthorn fleet, which is all British flagged, as "flag-of-convenience" vessels because of "deficiencies in wages, conditions and work culture."

200 rescued from blazing ferry off Mindanao

More than 200 passengers and crew members of the Philippines ferry *Princess of* the World were rescued on July 7, after the vessel caught fire while en route to the port of Zamboanga, Mindanao.

Sulpicio Lines, which owns and operates the 10,709 gt ro-ro vessel said all 131 passengers and 118 crewmen were evacuated as firefighters contained the fire, which broke out in the engine room. The incident occurred near the coast of Zamboanga del Norte while the vessel was sailing from Manila via Iloilo.

A source from Sulpicio said Philippine Navy and Coast Guard rescuers near the area immediately rushed to the ferry after its captain sent a distress call. A television report said some of the passengers jumped into the sea, while most had got into life rafts. Damage to the ship still has to be determined. The inter-island shipping line denied rumors that the accident was caused by a terrorist attack as it occurred near the refuge province of bandit and terrorist group Abu Sayyaf in Mindanao.

Filipino sailors in Norwegian second register ships displaced by Poles, Russians and Indians

The number of Filipino mariners working onboard ships registered with Norway's second register, NIS (Norwegian International Ship register) has fallen by 16 percent or 3,000 in the last two years.

The fall is attributed to the increasing competition with other nationals such as eastern Europeans and Chinese, according to the Philippine Seafarers Promotion Council (PSPC). With about 18,000 seafarers working on NIS-registered

ships, Filipinos still dominate the flag. However, the PSPC said the number was a considerable reduction from the record of 25,000 Filipino seafarers employed from the mid-to-late 1990s.

NIS ships now employ 4,900 Polish seamen, 4,230 Indians, and 2,000 Russians. PSPC said the Russian rise from zero, two years ago, to the present figure, which represents a fifth of the fleet, is alarming as this accounts for the Filipino decline.

"The only effective answer to organized greed is organized labor." —Thomas Donahue

SUP Committee on Constitution Report of the Committee on Constitution

Monday, June 27, 2005 at SUP Headquarters, San Francisco

In attendance: Duane Hewitt, Chairman, Monte Kalama, Honolulu Branch representative; John Makaiwi, Wilmington Branch representative; Mike Dirksen, Seattle Branch representative; Terence O'Neill, Headquarters representative; Art Thanash, Headquarters representative; Gunnar Lundeberg, ex-officio member, and Dave Connolly, recording secretary.

The Committee met in accordance with Article XXVIII of the SUP Constitution on the above date to discuss proposed changes to the SUP Constitution. President Lundeberg explained the Constitutional background and described the duties of the committee members. Duane Hewitt was elected chairman by unanimous consent. The Committee then considered each proposal submitted by the membership.

Proposed Constitutional Amendments

Resolution No. 1 (Folcarelli) To require any proposed reductions to SUP agreements to be deemed strike issues; and to require a membership vote on any negotiations. The Committee noted that there is an existing democratic procedure for the negotiation of contracts that has been in place for more than a hundred years. Changes to that procedure might make ineffective the negotiating committee abilities to respond to changing situations. The unanimous recommendation is to nonconcur.

Resolution No. 2 (Portanier) To change the two-thirds majority vote on constitution amendments to a simple majority vote. The Committee considered the issue and observed that there is a small minority that dictates to the majority on many issues. The Chairman noted that the shipping rules is governed by simple majority. After considerable discussion the Committee unanimously agreed to concur in an amended resolution reflecting that the simple majority vote shall apply only to any proposed dues increase and shall be effective for and apply to any vote on dues following January 1, 2006.

Resolution No. 3 (Berger) To raise the quarterly dues from \$130 per quarter to \$150 per quarter. The Committee noted that SUP dues as a percentage of income have declined over time; that SUP dues are the lowest in the maritime industry; that this will be the third election without a raise; that the Union depends on dues as the primary source of operating income; that the cost of doing Union business continues to rise; that the increase will be less than 23 cents per day per member; and that increased financial strength will result in better contracts and contract administration for the membership. The Committee also viewed the proposal in conjunction with the Portanier resolution (No. 2 above) and voted unanimously to concur in the resolution.

Resolution No. 4 (Motlow) To allow committee members to be nominated and elected without being present at the meeting provided such members are employed under SUP contract and have previously communicated their willingness to serve. The Committee noted that sailors are notified in advance of the meetings and have the option to plan for attendance at nomination meetings if they want to serve. They also agreed that being present at the meeting for nomination and election to committees is a basic Constitutional concept of the SUP and should so remain. The Committee voted unanimously to non-concur.

Resolution No. 5 (Motlow) To direct the employers to divert \$ 0.50 from wages to the Union in lieu of a dues increase. The Committee noted that this resolution would be in conflict with the proposed dues increase (No. 3 above). The unanimous vote was to non-concur.

Resolution No. 6 (Motlow) To allocate \$50.00 per week to SUP officials car maintenance and insurance. The Committee noted another resolution submitted by Norm Christianson for an increase of \$100.00 per week. There was discussion about which proposal to support or to amend both another figure. In the end the unanimous vote was to non-concur in this resolution but to concur in the Christianson resolution (No. 10 below) for a \$100.00 increase.

Resolution No. 7 (Motlow) To elect a committee independent of the trustees and officials composed of two members from each branch to advise and compile for the membership a review of the Union's obligations due to contractual, constitutional and labor law, as well as the Union's current assets, member benefits and how they are financed and allocated and to offer recommendations considering potential effects due to current industry trends. The initiative would be funded by a one-time assessment of the active members to be calculated by final cost. The Committee agreed that such a structure would represent a large departure from the traditional operation of the Union, might establish a separate union administration. The Committee was further concerned that there could be considerable and openended cost. The Committee voted unanimously to non-concur.

Resolution No. 8 (Dirksen) To distribute and post of all registration lists. To require the registration lists at each SUP hiring hall to be distributed to and posted at all hiring halls on a weekly basis. The resolution's explanatory note says that "this will stop members from registering in more than one hall at the same time." The Committee debated the need for this proposal given that Branches should already be submitting their registration lists to Headquarters to check for dual registrations. Therefore the majority of the Committee viewed the proposal as unnecessary and voted to non-concur in the proposal 5 to 1.

Resolution No. 9 (Wegger) To change the representation on the Committee of Constitution for equal numbers of delegates from the Branches. The Committee noted that it would require an increase in the total number of delegates in order to have equal representation. They also said that there could be a significant increase in cost and a difficulty in procedural application regarding vacancies, etc. The



Back row R to L: John Makaiwi, Wilmington; Monte Kalama, Honolulu; Mike Dirksen, Seattle; Terry O'Neill, San Francisco. In front: Duane Hewitt, Chairman, San Francisco and Arthur Thanash, San Francisco.

Committee further noted that the spirit of cooperation on committees is historically strong and therefore viewed it as unnecessary. A majority of the Committee voted to non-concur in the resolution 5 to 1.

Resolution No. 10 (Christianson) Car allowance for SUP officials. Noting that the Marine Firemen's Union officials receive a weekly car allowance of \$100.00, and that the current mileage reimbursement for officials is time-consuming and difficult to document, the resolution calls for an amendment to Article XV Section 1(g) to read "with \$100.00 weekly as car allowance for SUP officials and appointed representatives." The Committee viewed the proposal in conjunction with Resolution No. 6 above and again acknowledged the considerable cost of nearly continuous travel by automobile required by union business and service to the membership and therefore voted unanimously to concur in the resolution.

Proposed Shipping Rule Amendments

Resolution No. 11 (Morgan) To allow Class A members the right to take an optional additional trip off after taking his mandatory trip off and to delete the provision for emergency trips off. The Committee considered that the time that a job would be tied up or assigned to one person could considerably longer under this rule. The Committee also noted that the Companies may object due to potential extra cost and administrative burden. Finally, the optional nature of the proposal could cause confusion in that it does not apply to all in every circumstance. The Committee voted unanimously to non-concur in the amendment.

Resolution No. 12 (Hurley) To change Class B seatime requirement to two years of seatime and to create a "B+" Class of seniority with a seatime requirement of four years. The Committee observed that those who already had attained a B card would be disadvantaged by the proposal, forming a B- minus negative side effect. The unanimous recommendation was to non-concur.

Resolution No. 13 (Howell) Change 200 day maximum to 120 day maximum for Class A members with a mandatory trip off Explanatory note in the resolution references industry trends and smaller crews. The Committee noted that the mandatory trip off might be affected if the rule was changed to 120 days, especially after taking into account the historical objection from the employers. They also saw the issue as unnecessary given that a Class A member could get off at 120, or any other time, if so desired. The unanimous vote was to non-concur.

Resolution No. 14 (Dirksen) To delete the requirement to register in person. Explanatory note says that since many members do not live within a reasonable distance of SUP hiring halls and must secure overnight lodging in order to register for shipping. Amendment would be to Shipping Rule No. 14. The committee debated the merits extensively, stating among other things that he members actually living in each port would be disadvantaged by the proposal. They noted that it is presently required and expected to be present for registration. They said that there is no prohibition on any member to exercise his or her seniority rights by traveling to register in another port and therefore there is available a legitimate alternative to phone registration. They also noted potential difficulties in verification of phone registrations versus registrations in person if the prohibition against phone registration were removed. The Committee voted to non-concur 5 to 1.

Editor's note: The **bold text** indicates that by majority vote at the July coastwise meetings, these proposed Constitutional Amendments and Shipping Rule changes will be placed on the 2005-2006 referendum ballot as per Article XXVIII of the SUP Constitution. All other proposals that were submitted to the Committee were rejected by the Committee and rejected at the coastwise meetings.

ESU Office Assignments

For the month of August, John Straley will be in the Seabrook office and Jerry Patterson will be in the Benicia office.



Official Publication of the Exxon Seamen's Union

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

June 25, 2005

The Union has agreed with the Company that it will submit the following proposal to the ESU membership for balloting. Upon ratification, this proposal will become effective September 1, 2005.

1) Length of Contract

· Three (3) year contract term with wage increases in each year.

2) Wage Increase

- · The competitive wage increase is part of the total economic package.
- \cdot Fixed base wage and CSB increase of 4.0% effective 9/1/2005 if ratified by that date.
- · Fixed base wage, CSB, SSHOT and OT increase of 3.5% effective 9/1/2006.
- · Fixed base wage, CSB, SSHOT and OT increase of 3.5% effective 9/1/2007.
- · Upon ratification of the agreement by the membership, a non-benefit bearing lump sum ratification bonus of \$2,000 will be paid to all active unlicensed employees.
- \cdot \$1500 non-benefit bearing lump sum payment will be paid on 9/1/2006.
- \cdot \$1250 non-benefit bearing lump sum payment will be paid on 9/1/2007.
- · Employees on a LOA longer than 10 days, suspension or undetermined status will be paid the lump sum amount upon return to active status.

3) Union Administration

• Hold the next ship rep meeting in 2007 and every other year thereafter.

4) Endorsement Upgrades

• Pay a lump sum amount of \$500 to recognize an MS who obtains an AB or QMED endorsement.

5) Increase subsistence monies and simplify payment process for subsistence monies

· Modify Article VIII, Section 2 Subsistence Rates:

Employees departing the vessel at any time of the day to go on paid leave will be paid the dinner subsistence rate of \$20....

· Modify Article VIII, Section 2 Subsistence Rates:

When meals are not provided in the shipyard or on training assignments, employees will receive a per diem amount for meal expenses. For such assignments, subsistence per diem amounts will be \$10 per day for breakfast, \$10 per day for lunch, and \$20 per day for dinner. In foreign shipyards the per diem amount will be indexed according to COMPANY foreign assignment procedures.

Grievance Resolutions—modify language to reflect attached tentative agreement titled "Simplify Process Regarding Ground Transportation and Subsistence Monies" dated 5/25/05

· Modify Article VII, Section 10 Shoreside Training:

While employees are attending COMPANY-sponsored training programs on shore, accrued paid leave days will be frozen, neither increasing nor decreasing during such assignment. Transportation, subsistence and lodging monies will be provided by the COMPANY for such training assignments per Article VIII.

6) Travel & Transportation

- Modify Article IX Section 2 to read: "Where practicable, it is the intention of the COMPANY to normally arrange travel schedules to allow employees traveling outside the continental United States to arrive on the day before they are due to assume duty on the vessel. Such travel days will be paid as earning paid leave."
- · Modify Article IX Section 4 contract language to reflect: \$20 ground transportation payments taxable via payroll.

7) Retention of Premium pay overtime code 454 for Tank Cleaning on deck off watch

- The Company agrees to retain the premium pay code for tank cleaning on deck off watch. Members of the unlicensed crew will be eligible for this rate of pay when they:
- (a) Enter fuel tanks, cargo tanks or water tanks and clean same
- (b) Enter pump room bilges or engine room bilges and clean same
- (c) Are engaged in the removal of sludge, either on deck or in the tanks, in the pump room bilges or engine room bilges, or;
- (d) Are engaged in handling sludge drums while tank cleaning is being done.
- (e) Are required to tank wash or to shift tank-cleaning equipment.

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

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

8) PPE Program

· Provisions of the current PPE program shall be included in the Collective Bargaining Agreement and subject to the grievance and arbitration procedures.

i. Arctic Weather Clothing- \$350 every 3 years for purchases thru Company vendor.

9) Delete obsolete references to closed offices, retired vessels and practices.

- (a) Article IX Section 2 titled "SR Mediterranean assignments"
 - (b) Article XII Section 1(c) to read:
- i. The Executive Board Member in office will be invited to attend and participate in an Ocean Fleet Safety Committee meeting held in the SRM office. Any additional costs incurred as a result of attending this meeting will be borne by the Union.
- (c) Article XVI Section 3 referencing "S/R Benicia and S/R North Slope"

10) Simplify work rules for efficient use of onboard personnel while improving callout provisions

· Modify Article XII Section 11 to read:

"Employees will be paid overtime for work outside of their regular scheduled hours from the time they are called provided they report for duty within thirty (30) minutes of such call, otherwise overtime will commence at the actual time they report for duty."

11) Layoff Language

· Combine Article XI Section 1(B) & 1(C) to clarify when changes in crew complement occur.

12) Assignment Process-

- Modify Article VII Section 4 to read: "Prior to the end of his/her paid leave, and if a job is available in his/her rating, an employee may:
- a. Request assignment to a vessel taking the balance of his/her paid leave on a cash without time off basis
- b. Be recalled by the COMPANY if mutually agreeable and may either elect a cash without time off settlement or the balance or paid leave days on his/here next paid leave. Refusal of early assignment will be without prejudice.

Requests made under the above may be made earlier than eleven (11) days prior to the end of paid leave provided they contact the ESU office to obtain a waiver for Article VII, Section 3. Such waivers will not be unreasonably withheld."

13) Simplify work rules for efficient use of onboard personnel while improving callout provisions

• Modify Article XIV Section I (a)7 to read: "The pumpman or 2nd pumpman may be called for docking and/or undocking during his/her normal work schedule."

ESU Summary of Memorandum of Understanding

This tentative agreement (see: Memorandum of Understanding) is being offered to the membership for its approval. Agreement between the Union and management only came after 15 days of face-to-face negotiations over four different sessions. During these sessions, the parties presented a total of forty-three proposals before agreement was achieved. Agreement on the (MOU) was reached at approximately 8:00 p.m. (CT) on the evening of Saturday, June 25.

The ESU Bargaining Committee presented a large number of issues and concerns to the Company for bargaining. Some of which the Union were not successful in garnering desired gains in. These issue and concerns included, among others, increased compensation for members that are required to perform extra duties related to the recently implemented Vessel Security Plan (VSP) and extra manpower to perform those duties, additional paid leave days, extra manpower for Stewards Department, increase in the number of holidays, significant gains in all contractual subsidies and the establishment of a Bosun' position.

Management also presented issues that they were

seeking concessions from the Union in. Among items that the Company negotiated for was an increase from seven (7) days to ten (10) days in the callback language, additional flexibility in the work rules for the Maintenance Seamen's (MS) position, significant changes in contract language involving demotion protection and large reductions in Union subsidies.

By the very nature of collective bargaining neither the Company nor the Union were able to negotiate all of their interests to a successful conclusion. The ESU Executive Board believes that this MOU represents acceptable gains by the membership and continues to provide a level of job protection second to none in the maritime industry and asks for your approval of this referendum.

Below is an explanation of issues found in the official MOU for clarification purposes:

1) Length of Contract

· The Union looked favorably on a 3-year contract with built in wages in each of the three years. It is the Union's belief that this provides to the members the best level of security.

2) Wage Increase

- · The first year of the Contract calls for an increase of 4% on base wages and CSB's with a \$2000 bonus to be paid in September of this year (2005). The Union was not able to negotiate an increase in OT rates as the Company remained steadfast in its industry comparison arguments in regard to this issue.
- The second and third years provide for base wage, CSB, SSHOT and OT increases of 3.5%. In addition, lump sum bonuses of \$1,500 will be paid September of 2006 and \$1250 in September 2007. The total wage increase is calculated to be an average increase of 17.5% including the \$4,750 in non-benefit bearing bonus monies that are to be paid out over the 3-year life of the contract. These increases well outpace inflation rates and approximately 11% of the proposed wage hikes are benefit bearing and will compound from year to year.

Members should note that in calculating the lump sum payments into the 17.5% total average increase, that percentage would differ slightly depending on an individuals rating. For example, the \$2000 first year lump

continued on next page

ESU News

ESU summary of MOU continued

sum payment will calculate to a slightly higher percentage of members overall wages for a Maintenance Seamen as opposed to higher compensated ratings, such as the Pumpmen. The 17.5% is the average increase based on total wages of all members.

3) Union Administration

· The Union has agreed to conduct the Ship Representative's Conference on an every other year basis. This compromise occurred as a result of the Company bargaining large decreases in its present level of Union subsidies that would have severely reduced the ability of the ESU to provide appropriate representation to its members. The Union believes that this was an acceptable compromise on the issue.

4) Endorsement Upgrades

· A lump sum bonus will be paid to Maintenance Seamen that obtain an Able Seamen or QMED endorsement in the amount of \$500.

5) Increase Subsistence monies and simplify payment process for subsistence monies

- · Modify Article VIII, Section 2 Subsistence Rates: These increases are from \$19 to \$20 on the dinner subsistence rate received by members when departing the vessel. And increase total daily meal allowances from \$38 per day to \$40 per day.
- The Company will now have the ability to provide members going to training their meal subsistence monies and ground transportation via payroll. It is understood, except in cases of late enrollment, that these funds will be on the employee's paycheck prior to the employee attending the training course. In instances of late enrollment, the individual will receive the meal monies on the following paycheck.
- · Meal money and other subsidies such as ground transportation reimbursement will no longer, as a rule, be provided to the employee at the hotel upon arrival for the training course.

6) Travel and Transportation

- · Modification of Contract language that provides for the company to schedule reliefs outside the continental United States in a manner that has oncoming crewmembers to be flown a day ahead of reporting for duty on the vessel. These travel days will accrue paid leave.
- · Ground transportation rates will be increased from \$15 to \$20, but will be paid via payroll. However, this amount will now be taxable. Due to tax liability concerns presented to the Union and confirmed by the Union's Attorney and Certified Public Accountant as being valid, the Union has agreed to this proposal. Therefore, the Union Bargaining Committee does not view this change as an increase in transportation subsidies.

7) Retention of the overtime code 454 for Tank Cleaning on deck and off watch

· This item is considered to be a language correction issue. Proper language concerning this OT code was inadvertently omitted from the 2002 Contract. There is no appreciable gain as this pay code has been recognized and utilized during the life of the present Agreement.

8) PPE Program

· A \$50 increase in Arctic Weather Clothing is provided for with this proposal, resulting in a total subsidy of \$350 every 3-years. Additionally, the modified language results in future issues concerning this matter being subject to the collective bargaining and grievance process.

9) Delete obsolete references to closed offices, retired vessels and practices

· Referenced contract language in this section refer to vessels that are no longer in service, closed offices on the West Coast and the attendance of an Executive Board officer at OFSC meetings at the now defunct west coast office. These items were considered language "clean-up" issues and have no impact on the terms of the proposed agreement.

10) Simplify work rules for efficient use of onboard personnel while improving callout provisions

• This change provides for a 30-minute report period, up from 20-minutes for OT work. Master's discretion previously provided for in the language has been removed. Members will still be paid from the time that they are called.

11) Layoff language

· Combining of this contract language is being done to better clarify the intent of the language. The intent being when a change in crew compliment occurs. This change <u>does not</u> impact the provisions of the layoff allowance as it pertains to demotion and/or layoff.

12) Assignment process

• The only addition to this language will be that "Such waivers will not be unreasonably withheld." This additional language was agreed on by the Union at the company's request. The ESU Bargaining Committee concluded that the Unions ability to monitor assignment practices would not be adversely effected by agreeing to this modification of language.

13) Simplify work rules for efficient use of onboard personnel while improving callout provisions

· This change in language will now allow for the use of the 2nd Pumpman or Pumpman to assist in docking/undocking operations without the existing requirement of the entire deck crew being called-out. The Union's Negotiation Committee views this modification as a concession to the Company. This concession was agreed on as part of the Unions efforts to gain an acceptable Agreement.

The Exxon Seamen's Bargaining Committee has unanimously agreed to present this Memorandum of Understanding to the membership. The Committee recommendation to the membership is for a vote for acceptance of this proposal. The final decision as to whether this tentative agreement is one that is acceptable ultimately rests with the membership. The Union asks that all members voice their opinion on this matter by voting.

All members have been mailed official ballots and extra ballots can be obtained by calling either ESU office or requesting one from the acting Ship Representative aboard ship. The American Arbitration Association must receive member's ballots no later than 12:00 p.m. on August 29, 2005 for them to be counted.

Special Steward Trustee election underway

Fleet Chef's Gordon Gibau and Jose Pereira fulfilled nomination requirements necessary to be considered for election to the Executive Board position of Steward Department Trustee. This "special election" was mandated by the terms of the Union's Constitution and By-laws (vacancy) with the resignation of Trustee Gerard Nelson.

The ballot for this election is included on the ESU ballot to vote on the MOU reached between the Exxon Seamen's Union and SeaRiver Maritime, Inc. The Union extends a sincere thank you to both Gordon and Joe for offering their names for consideration.

SeaRiver announces acquisition of two Alaska tankers

In an official announcement issued June 22, to the employees of SeaRiver Maritime, Inc., company President Will Jenkins announced that agreement had been reached with Access Leasing Corporation and GATX Corporation that will result in two 120K DWT crude oil tankers entering the SeaRiver fleet. The two vessels have recently been operated by the Alaska Tanker Company (ATC) and are scheduled to replace tonnage requirements that will be needed, as in October of this year the S/R Hinchinbrook and then in March of 2006 the S/R Columbia Bay face OPA '90 mandatory retirement dates.

The official announcement stated that, "In preparation for SeaRiver service and consistent with our commitment to strong safety, health, and environmental performance, we plan to make additional enhancements to each vessel that go beyond compliance and upgrade key systems to state-of-the-art status."

The first ATC vessel to join the fleet will be the *Tonsina* and will be renamed the *Kodiak*. At press time this vessel was in transit to Singapore for an extended shipyard period and is expected to see SeaRiver mariners starting to board her in late August. The ATC vessel Kenai will be renamed the *Sierra* and is to join the SeaRiver fleet in early 2006. The ESU has learned that curiously, neither vessel will carry the preface "S/R" in their names. The Union has been told that the change in naming of these vessels was a management decision and present vessels in the fleet would not experience name changes.

Mr. Jenkins, in the prepared statement, added, "These double hull vessels, the upgrades and the modernization steps that we have planned, provide an effective bridging step that will help us safely and reliably meet our transportation requirements while longer-term alternatives continue to be evaluated."

Ship reports

SR American Progress

ESU Board Officer visited the vessel on May 27, at Galena Park, TX. Ein Cooley is filling in as Ship Representative. Vessel transited the Panama Canal in early July enroute to LA and then on to her shipyard period in Singapore.

SR Baytown

Vessel boarded July 2 at the Conoco docks at Rodeo, CA. Representative Mark Myser went to paid leave and AB Alan Bostwick is filling the billet. Ship is scheduled to alternate ANS runs between Puget Sound area and SF Bay area. No onboard beefs reported.

SR Columbia Bay

Executive Board Officer visited ship at Valero docks at Benicia, CA, on June 28. Michael Harrison is subbing for Thor Floreen as Ship Representative. The vessel is slated for both Puget Sound and SF Bay with its North Slope crude.

SR Galena Bay

Board Officer visited vessel on July 13, at the Valero dock in Corpus

Christi, TX. Gil Randal is filling in as Ship Representative and reports everything going well. Vessel continues on cross-Gulf trade between Corpus Christi and Tampa.

SR Hinchinbrook

Vessel continues on the Puget Sound to Valdez run. Representative Danny Jones has went to paid leave and Cook David Franklin is filling in as Temporary Ship Representative. No major beefs reported.

SR Long Beach

Vessel arrived for yard period in Singapore mid-July. Frank O'Malia is filling in for regular Ship Representative Joe Graca. No beefs.

SR Wilmington

Vessel continues her regular trade on the Gulf/East coast. Michael Gore is filling in as Ship Representative. As on other vessels, a complaint was received about short sea tours. Tours have gotten a bit longer but it may be a few months before they return to their normal 60-day rotation.

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

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

Dec. 5-9 Oct. 17-21 Sep. 12-16 Jul. 25-29 Dec. 12-16 Aug. 8-12 Sep. 19-23 Oct. 31-Nov. 4 Nov. 14-18 Aug. 22-26 Oct. 3-7

LMSR Vessel Training (MSC approved)

Aug. 9-19 Oct. 11-21 Nov. 8-18 Sep. 13-23 Dec. 6-16

Small Arms Training (MSC approved)

Nov. 21-23 Aug. 22-24 Oct. 24-26 Dec. 19-21 Sep. 26-28

Able Seaman (AB)

Oct. 10-22 Aug. 8-20 Nov. 7-19 Dec. 5-17 Sep. 12-24

Survival Craft (Lifeboatman)

Jul. 25-28 Dec. 5-8 Sep. 12-15 Oct. 17-20 Aug. 8-11 Sep. 26-29 Oct. 31-Nov. 3 Dec. 19-22 Aug. 22-25 Oct. 3-6 Nov. 14-17

Training Information and Enrollment

Contacts

Steve Messenger, SUP Training Rep. SUP Welfare Plan 450 Harrison St., San Francisco, CA 94105 Tel: (415) 957-1816 Fax: (415) 778-5494 E-mail: suptrainingrep@sbcglobal.net

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Attend your Union meetings!

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

July 2005

The SUP Welfare Plan office moved June 24, and is now in our new location at 730 Harrison Street between 3rd and 4th street. The pension and supplemental office and the welfare plan office are all located on the fourth floor. If you are visiting our offices the pension and supplemental plan office is in suite 400 which is to your left as you get off the elevator. The entrance for the welfare plan office is down the hall in suite 415. Please ring the doorbells for

The Medical Center is scheduled to move to 730 Harrison Street August 1, 2005. The entrance for the Medical Center will be on the street level to the left of the main entrance for the building.

The phone and fax numbers for the SUP Welfare Plan are still:

Telephone: 415-778-5490 and 800-796-8003 — Fax: 415-778-5495

Steve Messenger, the Training Representative, is still at 450 Harrison Street, but he has a new telephone number: 415-957-1816.

There are also new telephone numbers and fax numbers for:

Pension: 415-764-4987

Supplemental Benefits: 415-764-4991

Pension & Supplemental Benefits fax: 415-495-6110

Pensioners' Annual Allowance

The new fiscal year for the Pensioners Annual Allowance begins August 1, 2005. Charges for covered services incurred on or after August 1, 2005 will be applied to the new annual allowance. Charges incurred prior to August 1, 2005 can still be submitted for reimbursement; however, those charges will be applied to the annual allowance for the fiscal year from August 1, 2004 through July 31, 2005. Dental and vision services can be submitted for reimbursement, as well as, medical and prescription drug charges.

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

SUP Welfare Plan

730 Harrison Street, San Francisco CA 94105

Telephone Numbers:

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

One dead, five missing in Japan collision

One seafarer died and five are still missing after two ships collided in thick fog on Japan's south coast, July 15. At about 0400 the 1,285dwt chemical tanker *Nikko* Maru carrying 1,000 tons of creosote, collided with the 1,957dwt chemical tanker Kyokuyo Maru, laden with benzene. The incident occurred southeast of Kumano.

July 14, another collision saw the ballasted 1,715dwt chemical tanker Ryoka Maru collide with a laden gravel carrier, the 920dwt Horai Maru No. 18, off Omae-zaki, also on the country's south coast. No injuries to the crew of either ship were reported, but it is too early to say how badly the environment has been damaged.

Bloody Thursday in Frisco



The SUP observed Bloody Thursday at ILWU Local 10 in San Francisco. From left to right are Gene Van Klinken, Art Thanash, Knud Jensen, Paul Fuentes, Joe Moitoso and Sol Berger.



SUP President's Report

July 11, 2005

MATSON NAVIGATION COMPANY

After a series of contentious meetings that centered around Matson's financial obligations to the SUP Welfare Plan, the Union and the company reached tentative agreement on June 29 which was finalized the following day.

For over two years the SUP unsuccessfully attempted to compel this obstructionist outfit to comply with the terms of the agreement stipulated in Section 29 of the General Rules. Despite the assistance of a battery of attorneys retained by the Union and the analysis of Plan health care consultants, Matson remained recalcitrant even though it repeatedly acknowledged that it owed the Plan money. What the company was really after was to not only duck its immediate financial obligations to the Plan and the Plan's participants, but to escape from its maintenance of benefits obligation in place since the U.S. Public Health Service Hospitals (Marine Hospitals) were closed by President Reagan in 1981.

Matson's preferred method was to submit the issue to arbitration, where a neutral third party would resolve the issue of whether or not different contribution rates altered Matson's maintenance of benefit obligation. The SUP firmly rejected this legal gimmick and told the company we would beef the issue out at the bargaining table or, if necessary, in the streets.

Armed with a strike resolution passed unanimously by the membership in mid-June and backed by the support of the ILWU on the Coast and in Hawai'i, and with the SUP Maintenance Agreements due to expire on June 30, the SUP had the leverage necessary to force Matson to listen to reason.

The company buckled and ultimately capitulated agreeing to pay the SUP Welfare Plan \$1,000,000 for past financial obligations and to pay for its share of benefits going forward —regardless of the cost.

This victory could not have been accomplished without the militancy of the membership, particularly in Hawai'i, the support and solidarity of ILWU International President James Spinosa, the coastwise locals of the ILWU, ILWU Local 142 in Hawai'i and the labor movement in general.

Once the welfare problem was resolved, the other outstanding issues regarding wage increases for the fleet and shoregang agreements were agreed to, subject to membership approval.

CV 2600 Vessels

(Manukai, Maunawili, Manulani)

The agreement for these vessels was bargained and ratified by the membership in May 2003.

Term of Agreement: July 1, 2003-June 30, 2013 Wages

- · 3.25% increase in wages and wage-related items effective July 1, 2005
- \cdot 3.25% increase in wages and wage-related items effective July 1, 2006
- \cdot 3.25% increase in wages and wage-related items effective July 1, 2007

In accordance with the 2003 agreement, Matson and the SUP, MFOW, SIU-A&G Marine Cooks (comprising the SIU-Pacific District), will meet prior to June 15, 2008 to negotiate increases in wages and wage-related items for the period beginning July 1, 2008, and ending June 30, 2013. If the parties fail to reach agreement by June 15, 2008, the issue will be submitted to arbitration under Section 10 of the General Rules.

As the membership will recall, two holidays were lost in the CV 2600 vessels when Matson threatened to charter instead of purchase the *Manukai*. Those holidays were restored in this round of bargaining.

Holidays

- Columbus Day will be a holiday in the CV 2600 vessels effective July 1, 2006.
- Kamehameha Day will be a holiday in the CV 2600 vessels effective July 1, 2007.

New Vessels: Any new vessels of comparable characteristics to the CV 2600 vessels acquired by the company prior to June 30, 2013, shall be covered by the April 18, 2003 *Manukai* agreement. This covers the fourth ship under construction at Kvaerner Philadelphia Shipyard now designated as *m/v Maunalei*.

EXISTING MATSON VESSELS (Chief Gadao, Ewa, Kauai, Lihue, Lurline, Mahimahi, Maui, Manoa, Matsonia, Mokihana, R.J. Pfeiffer)

Term of Agreement: July 1, 2005-June 30, 2008 Wages

- 2.8% increase in wages and wage-related items effective July 1, 2005
- 2.8% increase in wages and wage-related items effective July 1, 2006
- · 2.5% increase in wages and wage-related items effective July 1, 2007

Pensions

It is agreed that Section 30(e)(1) of the SIU-Pacific District/Matson General Rules shall read:

(e) (1) During the sixty-day period immediately following the publication of the SIU-PD Pension Plan Actuarial Report covering the one year period preceding August 1, 2005, and during the sixty-day periods immediately following the publication of the SIU Pension Plan Actuarial Reports covering each subsequent one year period, up to and including the Actuarial Report as of August 1, 2007, the parties shall meet in good faith to negotiate increases in benefits for participants of the Plan who retire on or after July 1 of the calendar years following the effective dates of each of said Actuarial Reports. The present value of any such benefit increases shall not exceed the combined net actuarial gain, if any, experienced by the Plan during the period covered by the applicable Actuarial Report. In the event the Plan has a surplus in consecutive years, but the Trustees or Parties did not utilize that surplus to increase benefits at the end of the year(s) prior to the current year, the Trustees may add the amount of the prior year surplus(es) to the current year surplus and utilize the combined amount for benefit increases. In the event of deadlock with regard to the matters covered by this subsection (e)(1), the parties agree to submit their dispute to interest arbitration in accordance with Section 10 of the General Rules.

Section 30(e)(3) shall be designated Section 30(e)(2).

SUP MAINTENANCE AGREEMENT

(Covering the Honolulu Paint & Rigging Gang) Term of Agreement: July 1, 2005-June 30, 2008 Wages

- 2.8% increase in wages and wage-related items effective July 1, 2005
- 2.8% increase in wages and wage-related items effective July 1, 2006
- \cdot 2.5% increase in wages and wage-related items effective July 1, 2007

Section 12. Holidays (New language)

- i) Effective July 1, 2005, the following shall be recognized as holidays: New Year's Day, Martin Luther King Day, Lincoln's Birthday, Presidents' Day (previously Washington's Birthday), Memorial Day, Kamehameha Day, Independence Day, Labor Day, Veteran's Day, Columbus Day, Thanksgiving Day, Christmas Day, Employee's Birthday.
- ii) Any additional holidays granted by the employer to longshoremen or seamen in U.S. ports shall also be recognized as holidays for personnel under this Agreement.

Section 17. Sick Leave (New language)

i) Effective July 1, 2005, employees covered by this Agreement shall be entitled to a maximum of ten days sick leave per year, provided that any absence of more than two consecutive days will be supported by a doctor's certification of illness. One day of sick leave is earned upon completion of 36 calendar days covered employment.

ii) Maintenance Gang members who do not use all of their ten days sick leave in a year measured from their anniversary date, may carry over the unused portion to allow the Maintenance Gang members to accrue up to 60 days of sick leave. If a Maintenance Gang member does not use all of his sick leave, no pay in lieu shall be granted.

Training Fund: The company agreed to an additional \$1.00 per manday contribution for training effective July 1, 2006. This will increase the training contribution to \$5.00 per manday in the Maintenance and Extra Maintenance Agreements.

EXTRA MAINTENANCE AGREEMENT (Casual standbys)

Term of Agreement: July 1, 2005-June 30, 2008 Wages

- · 2.8% increase in wages effective July 1, 2005
- · 2.8% increase in wages effective July 1, 2006
- · 2.5% increase in wages effective July 1, 2007

It should be noted that in this round of bargaining the only subject for discussion was wages and wage-related items on the Existing Matson Fleet, therefore, there are no changes in the Work Rules. The Maintenance Agreements were completely open and the input of the Paint & Rigging Gang in Honolulu, and Branch Agent Mike Duvall acting as a negotiating committee, were invaluable as the agreement was improved. In 2008 all issues will be on the table with Matson.

Recommend membership ratification of the agreements covering the Existing Matson Fleet and the Maintenance Agreements.

New wage scales will be published in the August *West Coast Sailors*.

AMERICAN PRESIDENT LINES

During the past month, have had discussions with representatives of American President Lines and American Ship Management regarding the management of APL's U.S.-flag vessels after September 30, of this year. Both companies indicate that they are still in negotiations

As previously reported in February, the Maritime Administration informed the Union that APL would have until July 1, to designate an operator for its vessels. With that date having come and gone, it appears that the situation is still in flux.

However, on June 13, the SUP received documents from the Maritime Administration originally requested in February under the Freedom of Information Act which state that American Automar, Inc., a corporate affiliate of APL Marines Services Ltd., will operate the vessels beginning October 1, 2005, in a time charter arrangement with APL. The letter dated January 12, 2005, from MarAd to John Bowe, the President and CEO of Oakland-based APL Marine Services also states that the *Presidents Adams, Jackson, Polk* and *Truman* will be allowed to participate in the new Maritime Security Program (MSP) even though they are over 15 years old. APL's other MSP vessels now and after September 30, are the *APL China, APL Korea, APL Philippines, APL Singapore* and *APL Thailand*.

To put it mildly, this revelation came as a shock. When contacted, APL representatives stated that American Automar had only been named as a "place-holder" and that the company had still not decided who will operate its vessels.

Will keep the membership fully informed on this critical situation in which our long-standing work with APL is at stake.

[Editor's note: See APL article on the front page.]

PENSION INCREASE

Under the provisions of Section 30(e) of the General Rules with American Ship Management and Matson Navigation Company covering pensions, the SUP, MFOW, and SIU-A&G Marine Cooks (comprising the

President's Report continued =

SIU-Pacific District) have the right to request negotiations with both companies if there is a combined net actuarial gain based on the report of the Plan actuary for the previous year.

At the June 23 meeting of the Trustees of the SIU-Pacific District Pension Plan, Mr. Gregory Pastino, the Plan actuary from the Hay Group, reported that as of the August 2004 actuarial report, that the Plan assets had a gain of approximately \$2.9 million.

The Unions then proposed and the employers agreed to increase the pension benefit by \$71 for those retiring on or after July 1, 2005, at age 60 with 25 years seatime. This will raise the maximum benefit from \$1020 per month to \$1091 per month.

The increase will also be applicable on a pro-rata basis to those retiring on or after July 1, that have less than 25 years seatime, are younger than 60, or who retire due to disability as per the following table:

SIU Pacific District Pension Plan

Summary of Plan Provisions

	Current		M	Monthly Bene	
	Monthly Benefit		Ef	Eff. 7/1/2005	
I—Long Service Benefit (25YQT)					
(1)-Retiring at age 60 or older	\$ '	1,020.00	\$	1,091.00	
(2)-Eligible for Social Security Disability, any age	\$	1,020.00	\$	1,091.00	
(3)-Retiring between ages 55 and 60	\$	852.00	\$	911.31	
(4)-Retiring under age 55	\$	300.00	\$	300.00	
II—Basic Service Benefit (20YQT)					
(1)-Retiring at age 60 or older	\$	816.00	\$	872.80	
(2)-Eligible for Social Security Disability, any age	\$	816.00	\$	872.80	
(3)-Retiring between ages 55 and 60	\$	735.00	\$	786.16	
(4)-Retiring under age 55	\$	250.00	\$	250.00	
III—Reduced Service Benefit					
(1)-15YQT	\$	459.00	\$	490.95	
(2)-16YQT	\$	489.60	\$	523.68	
(3)-17YQT	\$	520.20	\$	556.41	
(4)-18YQT	\$	550.80	\$	589.14	
(5)-19YQT	\$	581.40	\$	621.87	
IV—Disability Retirement Benefit					
(1)- 25YQT-retiring at age 60 or older		1,020.00		1,091.00	
(2)- 25YQT- retiring at ages 55-59	\$	852.00	\$	911.31	
(3)- 25YQT, retiring under age 55	\$	300.00	\$	300.00	
(4)- 20YQT-24YQT, retiring at age 60 or older	\$	816.00	\$	872.80	
(5)- 20YQT-24YQT, retiring at ages 55-59	\$	735.00	\$	786.16	
(6)- 20YQT-24YQT, retiring under age 55	\$	250.00	\$	250.00	
(7)- 15YQT-19YQT	\$	187.50	\$	187.50	
(8)- 15YQT-19YQT and eligible for Soc. Sec. Dis.	\$	218.50	\$	218.50	
(9)- 10YQT-14YQT	\$	125.00	\$	125.00	
V—Dependent Child Benefit			_		
(1)-Per child under age 18	\$	25.00	\$	25.00	
VI—Deferred Vested Benefit per Year of Qualifyin				00.70	
(1)-200 or more Qualifying Days	\$	30.60	\$	32.73	
(2)-125 to 200 Qualifying Days		Rata		Rata	
(3)-Less than 125 Qualifying	\$	0.00	\$	0.00	

It should be noted that Section 30(e), first incorporated in both collective bargaining agreements as a result of negotiations in 1996, is applicable in the agreement and by past practice only to future pensioners – in this instance those who retire on or after July 1, of this year. The next opportunity to increase the pension benefit for current as well as future retirees will be in June 2008, when the Matson agreement expires unless there is a net actuarial gain before that in accordance with Section 30(e).

Compared to many other pension plans across the country, the SIU-Pacific District Plan is in top shape which all but guarantees —baring a total collapse of this nation's financial markets—that those who are receiving a benefit will continue to do so and those who have accumulated the necessary seatime will receive the benefit when they swallow the hook.

The Pension Plan is in such solid shape that it is 147% funded. The Unions have repeatedly told the employers that the Pension Plan was created to provide benefits to those who retire. It is not supposed to function as a bank. As a consequence, the Unions are considering methods to turn the surplus funds with the Plan into a tangible benefit increase for all qualified pensioners.

Great strides have been made since 1990 when the maximum pension increased from \$450 to \$500 per month. Although the pension has more than doubled since that time, your secretary remains committed to further increase this still inadequate benefit.

Although bargained with ASM and Matson, the pension increase also affects SUP members working for Chevron, Foss, Patriot and the San Francisco Bar Pilots.

BANE v. SUP

As reported last month, Sefuluono F. Bane and Ruta A. Tulenken filed charges on May 31, with the National Labor Relations Board in Honolulu alleging dispatching irregularities by Honolulu Branch Agent Mike Duvall. On June 20, the NLRB informed the Union that Ms. Tulenken withdrew her charges.

Ms. Bane's allegations are still under review by the NLRB. However, within the past month Ms. Bane has filed additional charges against the Union with the Hawai'i Civil Rights Commission and U.S. Equal Employment Opportunity Commission alleging discrimination by the Union against her based on sex and national origin.

The SUP denies the charges and allegations of Ms. Bane. Attorney Charles K.Y. Khim is representing the Union in this matter.

OFFICIALS' WAGES

Article XV Section 1(a) of the SUP Constitution states that: "The salaries and supplemental pay [of Union officers] shall be adjusted automatically on the same percentage basis whenever the membership has a percentage adjustment in wage and vacation pay from the offshore agreements."

This year an adjustment or wage increase for Union officials is complicated by the fact that the offshore agreements have three different "adjustments:" 0% increase in the eleven-ship ASM fleet; 2.8% increase in the Matson fleet except for the CV 2600 vessels and the ITB *Moku Pahu*; and a 3.25% increase in the CV 2600 vessels where wages were frozen in 2003 and 2004.

In the judgment of your secretary, it is not appropriate for the officials of the SUP to take a wage increase this year when half of the membership sailing offshore is not receiving one. In addition, although the Union's finances overall are healthy, the General Fund continues to run a yearly deficit because the current dues structure is inadequate to cover expenses. Therefore, after consulting with the other elected officers, it was agreed that wages will be frozen this year.

This is not the first wage freeze voluntarily taken by SUP officials. Wages were frozen for eight years beginning in 1992 and ending in 2000.

AFL-CIO & MARITIME TRADES DEPARTMENT CONVENTIONS

Your secretary has been designated as a delegate to the Maritime Trades Department. Quadrennial Convention in Chicago from July 21 and 22 and the AFL-CIO Convention in the same city from July 25-28. Intend to attend these important meetings, if Union business permits.

QUARTERLY FINANCE COMMITTEE

In accordance with Article XVII, Section 2, of the SUP Constitution, a Quarterly Finance Committee shall be elected at today's Headquarters' meeting to review the finances of the Union for the second quarter of 2005, and report back to the membership at the August coastwise meetings.

In the event the Committee cannot be filled today, recommend that when the quarterly audit is completed, which will be in about three weeks, necessary Committee members be shipped off the hiring hall deck as per past practice. The Quarterly Finance Committee will turn-to on Friday, August 5, at 9:00 A.M.

LONGSHORE HOLIDAY

SUP hiring halls on the West Coast will be closed on Thursday, July 28, in observance of an ILWU holiday (Harry Bridges' birthday).

In accordance with the collective bargaining agreements with American Ship Management, Matson Navigation Company and the San Francisco Bar Pilots, it is a holiday for all ASM and Matson vessels in West Coast ports, ASM and Matson shoregangs on the West Coast, and for run boat operators employed by the Bar Pilots. It is not a holiday at sea or in Hawai'i.

ACTION TAKEN

M/S to ratify the Matson agreements. Carried unanimously.

Quarterly Finance Committee: Elected Art Thanash, Vern Haik, Romaine Dudley, Louis Frazier and Mark Pfaff.

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

Gunnar Lundeberg

San Francisco Business Agent

July 11, 2005

Visited and paid off the following ships:

Kauai— Jim Clay, delegate: Had a meeting with port steward about short of stores. Ship going to the Orient for a retrofit of forward hatches—70 to 90 days.

Lurline— Phil Howell, delegate: Car and van carrier. No disputes. Docked at 7th Street, Oakland, California.

Manukai— Paul Barbour, delegate: In from Honolulu. Will be going on the Northwest run. Relieving the *Kauai* for two or more months. No problems.

Maui— Chuck Maringer, delegate: Clean; no disputes.

Mokihana— Nestor Alarcon, delegate: In from Wilmington. Relief bosun Remoni Tufono. "Red" Bell from Wilmington shipped aboard.

Moku Pahu— Visited twice at Crockett. Relief bosun on the sugar run. No disputes.

APL Korea— Richard Goen, delegate: Voyage pay off. Gary Marshall promoted to bosun. Doing a good job, no disputes.

APL Philippines— Bob Greene, delegate, Bob Burns, bosun: Voyage pay off. Paid disputed time for oil barge.

APL Singapore— William Remoto, delegate: Voyage pay off. All disputes were squared away in Wilmington by Agent Keith Miller.

APL Thailand— David Hiebert, delegate: Voyage pay off. No disputes. John Kerlin bosun.

ASM Shoregang— Running smoothly.

Also worked in the front office during the month.

Bill Berger

Solo crosser of Pacific dies on return voyage to the United States

An 81-year-old Japanese-American man, who last year sailed solo across the Pacific Ocean to Japan, died on his voyage back to the United States, a Japanese Coast Guard official said.

Fishermen in early July spotted the yacht of Sakae Hatashita as it drifted some 1,190 kilometers southeast of the coast of Miyagi prefecture in northern Japan. A sail was torn, and an old man lay dead on board.

On July 11, a Japanese Coast Guard boat carried the body into Yokohama, saluting the yachtsman with a ship's whistle. Another boat pulled in his yacht about an hour later. Hatashita's nephew, who is a doctor, identified the body, and said the cause of death had been a heart attack.

Hatashita had reached Japan from San Diego in December, intending to bury the ashes of his wife, who died in a 1998 car crash, in her homeland. In April, he delivered them to her father's grave in central Japan.

USCG annual report found international vessel compliance better than expected

The U.S. Coast Guard issued an annual report on June 10, that found foreign-flagged vessel compliance with new international security requirements was better than expected in the first six months of implementation, although safety compliance declined in 2004.

The report, known as the Annual Port State Control Report, examined the safety and security compliance of foreign vessels visiting the United States.

New international maritime security requirements went into effect July 1 of last year, just 18 months after 143 countries signed an agreement establishing basic security standards for ships and ports around the world. In the weeks leading up to the July 1 deadline, observers and industry members worried that strict U.S. Coast Guard enforcement of the requirements would have negative impacts on global trade as it appeared much of the world's merchant fleet was not in compliance with the new security requirements.

However, in the first month of enforce-

ment, the Coast Guard found that only 2.5 percent of vessels arriving in U.S. ports were significantly non-compliant with the new security requirements, and were denied entry to port, detained in port or expelled from port as a result.

"With the usual dedicated professionalism, the vast majority of maritime stake holders rose to the occasion and exceeded all expectations," said Rear Admiral Thomas Gilmour, the Coast Guard's assistant commandant for marine safety, security and environmental protection. "We all met a tough challenge. Shipping did not come to a standstill and now we have a baseline of security for ships and ports around the world."

The Coast Guard will target vessels for increased inspections if they are registered in a country whose vessels have below average compliance in either meeting safety or security requirements. Vessels registered in Antigua and Barbuda, Cyprus, Malta, Panama and St. Vincent and the Grenadines had below average compliance in both areas.

British and Dutch maritime officer Unions plan merger for 2008

The British Officers Union NUMAST (National Union of Marine, Aviation and Shipping Transport Officers) and its Dutch counterpart FWZ (Federatie van Wervinemers in de Zeevaart) have announced they plan to merge by 2008. Numast General Secretary Brian Orrell said the new organization would be named Nautilus.

The two unions have been cooperating for a number of years, with their members working alongside each other in companies like Royal P&O Nedlloyd, P&O North Sea Ferries, Stena Line and Holland America Line. Numast has around 18,000 members and FWZ has 6,000.

Los Angeles port boss resigns

The head of Los Angeles Harbor Commission, Nicholas Tonsich, has handed in his resignation to the city's new Mayor Antonio Villaraigosa, who has been critical of politics at the port. Tonsich was a close political ally of former Mayor James Hahn, who appointed him to the post. He stepped down on July 12.

Villaraigosa had been openly critical of Tonsich's regime and had asked for a criminal inquiry into conflicts of interest and contracting practices at the port.

Tonsich, a San Pedro lawyer who denied any wrongdoing, said his resignation was submitted out of respect for Hahn and to give the new mayor time to appoint a successor.

Despite criticisms, Tonsich has been praised in Southern California for strides to reduce air pollution at the port complex. He wished the new mayor and his successor good luck and said he hoped they continue the port and waterfront redevelopment projects already underway.

Record of SUP Shipping June 2005

	Hdqs	Seattle	Wilm	Hono	Total
Bosun	4	2	4	2	12
Maint. Man.	9	0	0	0	9
A.B. Daywo	rker 0	0	10	3	13
A.B	14	4	14	4	36
O.S	1	0	0	2	3
Standby	126	15	106	30	177
TOTALS	54	21	134	41	250

Vice President's Report

July 2005

Matson Navigation Company: Action

When trouble comes, close ranks. This ancient military dictum best describes the recent unified activity of the SUP membership. To the question "Are you ready to walk on Matson Navigation Company?", the rank and file responded with an unambiguous "Yes!" It came in historic meetings up and down the Coast, as if the membership was waiting for the chance to comment on months of backsliding, intransigence, and bad faith bargaining by the Company. The vote was not mechanical, not by rote approval, not without full understanding of the variables and consequences. It came after considered thought, with a thousand good questions, with understanding of possible outcomes and contingencies. In the end, the balanced analysis of sailors channeled through the Union's democratic process produced the precision vehemence of total resolve.

Reasonable people pay their debts without debate. Matson acknowledged its debt, but attempted to attach its payment to wholesale changes to benefits and worse: they wanted the process removed from bargaining and replaced with arbitration. Getting there for them was a matter of dragging it out as long as possible, of equivocation and evasion. They wanted to cut here and cut there until we died the death of a thousand cuts. But the membership's unanimous vote on a strike resolution ended all that. It said to everyone that we understand the issues and we're aware of the consequences and we're still ready to walk.

Some of the old-timers were reminded of the days when Harry Lundeberg would go out "90 days for a ten-dollar bill," as he put it. During this time at Headquarters, meetings were held, letters written, phones ringing off the hook. In the Branches, agents tirelessly answered questions and rallied support. Labor councils helped with the police and politicians; other maritime unions expressed their support, pressed us for more information, and swore to observe our picket lines. On all SUP ships, delegates stayed in close contact with Headquarters awaiting instruction. On the beach, members phoned in for assignment. Shoregangs spread the word along the waterfront. In the halls, active sailors and pensioners alike signed up for picket duty. Signs were constructed, sites selected, watches set.

It became unnecessary because all the activity sent reverberations through the labor movement, the industry, and especially—as it buckled under the strain of possible economic action—the Company. Despite a government actively opposed to us, despite the vicious antiunion tactics of union-busting attorneys hired by the Company, despite the concessionary trends in the transportation industry, we drew a line in the sand and it held. When trouble came we closed ranks and won. In any case, small as it was, it counts as one of the Union's finest moments in its long and storied history and in this historic month of July 2005.

Ships checked

APL China: delegate Dmitri Seleznev. Questions on transportation, shift to berth from anchorage.

APL Philippines: delegate Richard Crowell. Clarification on lashings.

President Wilson: delegate Robert Garcia. Clarification on watch rotation.

Kauai: delegate Jim Clay. Call from the delegate before sailing from Honolulu for the shipyard in China. Clarification on shipyard jurisdiction and procedure.

Lurline: delegate Phil Howell. Safety issue of corroded wires raised with the Company. There is a fleet-wide program for replacement of mooring wire to the new synthetics. This ship is on the list and beginning the process.

Arizona Voyager: delegate Rob Edelhauser. Investigating termination, weekend shift.

Foss Maritime Company: delegates Tom Tynan and Mike Worth. Two potential problems of medical coverage lapse due to disabilities investigated and averted.

San Francisco Bar Pilots: delegate Terry O'Neill. New *Golden Gate* schedule being discussed.

Dave Connolly

Nautical terms in everyday speech

Filibuster is derived from the Dutch work vribuiter (freebooter or pirate), the English world *filibuster* was once synonymous with "buccaneer" or "pirate." During the 18th and 19th centuries, *filibuster* was used in the United States to describe gun runners, pirates, and an assortment of brigands, all of whom conducted raids, unauthorized military expeditions, and blockades off the coasts of the West Indies and Central America. After a politician described an adversary's stonewalling tactics as "filibustering against the United States," *filibuster* came to describe obstruction of legislation by irregular maneuvering such as nonstop speech making. A headline in the *Boston Journal*, dated February 20, 1885, read: "Ex-Confederates Filibuster to Prevent Vote on Bill."

Taiwanese captain and crew face stowaway murder charge sentence in Panama

A Panamanian jury has charged the master and the first officer of the Panama-flagged *Well Pescadores* with murder. Captain Wei Kai Tuem and Jing Gui Guo were charged in connection with the death of two Dominican stowaways, William and Franklin de Leon, thrown overboard in international waters in March 2003. The vessel was en route to Houston, Texas. The jury acquitted another crew member, Yao Hwang Honog.

The Second High Court magistrate Luis Mario Carrasco has 30 days to decide on the sentence. The two Taiwanese citizens face a maximum sentence of 20 years in prison as Panama does not impose the death penalty.

The five stowaways, who were members of the same family, boarded the bulk carrier at Rio Haina, Dominican Republic. The two brothers drowned, but the others testified at the trial.

SUP Branch Reports

Seattle

June 20, 2005

Shipped the following during the period: 3 Boatswain berths shipped to 1 Acard to a steady job, 1 A-card to a relief job and 1 B-card to a USNS bottom; 6 able-seaman slots shipped to 2 A's, 2 B's for relief's and 2 C's to USNS ships; 13 standby jobs shipped to 7 A, 4 B, 1 C and 1 MFOW member.

Registered during the period: 4 A cards for a total of 21; 6 B cards for a total of 29; 6 C cards for a total of 33.

Maui and *Kauai* called in Seattle twice. The *Kauai* is headed out to Asia for an extended stay in the shipyard with the *R.J. Pfeiffer* replacing her and will begin running to Seattle by the end of June.

We received a strike resolution from Headquarters for Matson Navigation shortly before the Seattle Branch meeting started. The resolution was read to the membership with questions taken and answered. The membership duly elected Bob Bacon as "Teller" and ballots were handed out by Chairman Norm Christianson. Upon collecting and counting the ballots Brother Bacon notified the membership of unanimous concurrence with the Matson Strike Resolution and the results were immediately forwarded down to headquarters.

During the month I attended the King County Labor Council meeting; the Puget Sound Maritime Trades luncheon where Gordon Baxter, who currently represents the ILWU, the IBU, the MM&P, and the MEBA as a lobbyist in Olympia was honored for his work as both a labor advocate and labor activist. I attended the Puget Sound Area Maritime Security Committee meeting where Captain Danny Ellis, USCG, chaired this committee for the last time. Captain Ellis retires at the end of June and his leadership as the Puget Sound Captain of the Port will be remembered for bringing all stakeholders to the table, including maritime labor unions, during the formation of the maritime security committees following the attacks on the World Trade Center.

We would like to thank Michelle Chang and Joan Steel for coming up to Seattle to answer questions regarding medical, pension and money purchase issues. Their appearance in Seattle had been well publicized and the membership showed up armed with well thought out concerns and questions that many of the members had noted down on paper. After quite a spirited give and take discussion period everyone seemed satisfied with the answers that were given. If any member who could not make the meeting has questions, please give these administrators a call; their numbers are listed in the West Coast Sailors.

Vince O'Halloran, Branch Agent

Sound Service, which provided mailing services to sailors for years, is closing August 15. Mail services will be forwarded to the UPS store on Queen Anne Hill. Mail will be forwarded only for a short time.

Wilmington

June 20, 2005

Shipped during the period: 4 Bosuns, 15 ABs, 12 AB Maints., and 57 standbys for a total of 88 jobs shipped.

Registered are: 46 A cards, 60 B cards, 10 C cards and 4 D registrants.

Ships Checked

Mahimahi: Jose Galeas, delegate; Maunawili: Rob Morgan, delegate; President Jackson, Patrick Tite, delegate; Matsonia: Joe McDonald, delegate; APL Singapore: Angelito Lopez, delegate; President Wilson: Robert Garcia, delegate; APL Korea: Steve Rydberg, delegate: President Grant: Eric Heinrich, delegate; APL China: Teo Rojas, delegate; President Polk: Jose Angeles, delegate; APL Philippines: Mark Pfaff, delegate; Manulani: Jim Meador, delegate; APL Thailand: Joe Wolff, delegate: all OK.

President Adams: Dennis Sparta, delegate. Penalty meal hour beef squared away. If you're called to let go during supper it's a penalty meal hour, if you don't get one hour off and a half-hour to eat.

Mokihana: Dan McDonald, delegate: Crew members get \$12.00 transportation when joining vessel and when signing off vessel if they complete their time.

Manoa: Robert Green, delegate: Man was paid overtime for standing by to let go of barge.

May 20, attended a Lane Victory lunch meeting for the MTD. Guest speakers were Senator Alan Lowenthal and Robert Simpson, District Representative to Assemblywoman, Betty Karnette. They spoke of the LA/Long Beach waterfront communities, keeping the environment clean, the community uncongested, and making labor more efficient. 45% of U.S. cargo comes through LA/Long Beach. We want to keep our jobs here and create more, and keep this cargo coming. In 2003, Senator Karnette's Senate Bill 808 which passed were responsible for saving 1000 California jobs and creating more harbor jobs by a partial exemption of California bunker fuel taxes. See the May West Coast Sailors.

May 22, attended the Maritime Day celebration at the Wall of Honor in San Pedro, honoring American merchant mariners, who have served their country in peace and war from the American Revolution to the present day, including a memorial service honoring those who sacrificed their lives during armed conflicts since WWII. It also included maritime Unions, veterans, other various unions and community people, politicians, religious leaders, Coast Guard. The service had a call to worship, reading of psalms, singing of hymns, a blessing of wreaths, honor guard rifle salute, the playing of taps, and a moment of silence observed, a benediction, and closing hymns America the Beautiful and God Bless America. Also there was a wonderful dinner at Ports O'Call Restaurant.

On June 20, we were pleased to have Vice President Dave Connolly at our meeting. He read the President's report and thoroughly explained everything. He explained the Matson strike resolution which was ratified here and answered many questions. It was a long and informative meeting, and a lot of discussion—35 members present.

We had a discussion about the Constitution Committee and resolutions and John Makaiwi was elected Wilmington delegate to attend it at Headquarters.

Took care of the duties and responsibilities of the port for the membership during the period. This is a very busy port. All but three SUP ships come here, as well as most members, too. We have dozens of standby jobs and enough steady work to move members through. If you are pushing open a bar room door, you ain't getting a job.

You are responsible for your documentation. Please have your fit-for-duty (annual care or MSC physical) and dues paid before registering. Be able to present your Z-card, passport, STCW, annual or fit-for-duty, and drug card at job calls. All must be up to date.

Keith Miller, Branch Agent

Honolulu

June 20, 2005

Shipped the following during the month of May: 1 bosun, 1 AB, 1 AB Maint., 2 ABDs, 1 OS. These jobs were filled by 3 A members and 3 B members. Also shipped 33 standby jobs filled by 1 A member, 12 B members, 18 C members and 2 registrants for a total 39 jobs shipped.

Registered during the month of May: 4 A members, 10 B members, and 1 C member. To date, registered are: 14 A members, 16 B members, 10 C members, and 2 D members for a total of 42 registered.

Ships Checked

Maui, Lurline, Matsonia, Kauai, R.J. Pfeiffer, Maunawili and Manukai. All with few or no beefs. Manulani arrived at Honolulu on her maiden voyage. Running Bristol Fashion with Jim Meador delegate and John Rushing as bosun. Kauai sailed Honolulu for China for an extended shipyard stay.

Paint and Rigging gang running smooth with Monte Kalama as bosun.

On June 20 at the Honolulu branch meeting President Gunnar Lundeberg was present. Discussed the regular Head-quarters meeting minutes and also read the Headquarters special meeting strike resolution. All members present voted by secret ballot 24 yes 0 no for concurrence. Monte Kalama elected to attend Constitutional Committee meeting at Headquarters.

On June 21, Lundeberg and I attended a meeting at ILWU Local 142 with Fred Gladones, President and Tyrone Tahara, Longshore Division Representative to lay ground work for possible job action against Matson Navigation. Received full cooperation from Local 142 during the next hectic days while preparing for a possible strike. Proud to say we have good Union solidarity in Hawai'i!

On June 14, Herman "Dutchy" Kaakua passed away. The "Sea Wolf' will be sadly missed around the hall. Smooth sailing "Dutchy". Pensioner John Gouveia still on the binnacle list but is improving.

Mike Duvall, Branch Agent

SUP members join pension ranks

The following SUP members joined the rank of pensioner, bringing the total number of SUP members to 775:

Wayne W. Bradley, 65, Book No. 5693, joined SUP in 1964, 18 years seatime.

James Kumis, 81, Book No. 3128, joined SUP in 1947, 44 years seatime.

James Luke, 70, Book No. 4110,

Pasquale Minici, 77, Book No. 6475, joined SUP in 1966, 29 years

joined SUP in 1968, 8 years seatime.

Joseph Moniz, Book No. 6444, Joined SUP in 1960, 40 years seatime.

Jacksonville

June 2005

For the month of June, one Able Seaman was dispatched to the Chevron Colorado. This job was filled by a B-card. Shipping has been slow throughout June in Jacksonville because all of the LSMR's with exception of the USNS Pililaau have been in Reduced Operating Status.

Ships Checked

USNS Brittin- Boarded in Violet, LA on June 28 and again on the 30th. Glen Bosarge is the Delegate and Sam Scott is the Boatswain. No beefs. Ship is preparing for turn-over to AMSEA on July 1.

USNS Fisher- Boarded in Violet, LA on June 28. Eric Davis is the Delegate and Lou Holloway is the Boatswain. No beefs. Ship is preparing for turn-over to AMSEA on July 1.

USNS Pililaau- Boarded in Violet, LA on June 29. Steve Campbell is the Delegate and Steve Huggins the Boatswain. Ship just returned from deployment to Korea and Alaska, thus completing an around the world voyage for many aboard. Payoff was clean and no beefs reported. The ship went into Reduced Operating Status pending turn-over to AMSEA on July 15. Despite the imminent turn-over morale was high and the members remain loyal to the SUP.

While shipping is slow on the East/ Gulf Coasts, at this time, we all remain optimistic that the bid announcements for the Ready Reserve Force Ships at the end of July and for the Fast Sealift Ships in early August will provide employment for those SUP members who reside on these coasts. It still is important to keep your documents current, particularly your drug screen, which expires after six months. Likewise, register and ensure we have a current telephone number. There have been several instances where I have tried to contact members only to learn they have changed numbers. Interestingly, when boarding the USNS Bob Hope to get aboard the Pililaau several SIU members wanted information on becoming SUP members.

Bud Yost SUP East/Gulf Coast Rep.

Dispatcher's Report

Headquarters—June 2005

Bosun 4
Carpenter 0
MM 9
AB14
OS 1
Standby26
Total Deck Jobs Shipped $\overline{54}$
Total Deck B, C, D Shipped 11
Engine/Steward
QMED 0
Pumpman 0
Oiler 0
Wiper 0
Steward 0
Cook 0
Messman <u>0</u>
Total E&S Jobs Shipped $\overline{0}$
Total E&S B, C, D Shipped 0
Total Jobs Shipped - All Depts 54
Total B, C, D Shipped-All Depts 11
Total Registered "A"70
Total Registered "B"68
Total Registered "C"11
Total Registered "D"11