



West Coast Sailors

Official Organ of the Sailors' Union of the Pacific

Volume LXXVI No. 6



SAN FRANCISCO, CALIFORNIA

Friday, June 21, 2013

Little progress made with Matson as bargaining deadline looms; SUP membership authorizes strike resolution

by Gunnar Lundeborg

As the *West Coast Sailors* went to press, the SUP, MFOW, SIU-A&G are bucking strong headwinds in bargaining with Matson Navigation Company. The agreement covering the company's U.S.-flag fleet expires on June 30, as does the SUP and MFOW Maintenance Agreements. The SUP membership has authorized a strike against the company if an agreement is not reached.

After three bargaining sessions at SUP Headquarters, the goals of the company are to freeze wages, deny pension increases and coerce the Unions to "kick-back" in the form of concessions when the company builds two vessels to replace the aging *Lurline* and *Matsonia*. The Unions have resisted these unsavory proposals and will continue to do so.

Matson is emboldened because it was successful last year in forcing the Masters, Mates & Pilots (MM&P) and the Marine

Engineers Beneficial Association (MEBA) into concessionary agreements due to the weaknesses of both licensed Unions pension plans and increased competition from the American Maritime Officers (AMO), which represents both mates and engineers.

The MM&P signed a 10-year agreement with the company which froze wages in 2013 and provides for cost-of-living (COLA) increases from 2014 through 2018. Any wage increases from 2018 through 2025 are subject to arbitration. The mates defined pension plan was frozen and a new adjustable pension plan was established with lower benefits.

The MEBA signed a five-year agreement with Matson which calls for a 0.9% wage increase in 2013 with COLA increases through 2017. To save their defined benefit pension plan, MEBA members are paying 11.7% of gross wages into the

plan thus relieving the company of that obligation.

Both MM&P and MEBA also agreed that if the company builds new ships or if the company finds itself in direct competition with a company or companies not currently providing service to Hawai'i, the Unions will meet with Matson to negotiate wage rates. If bargaining fails, the parties go to arbitration.

It must be noted that the SUP, MFOW and SIU-Marine

Cooks, bargaining together as the SIU-Pacific District, does not have the problems of the licensed Unions. Matson's lead negotiator, Captain John "Jack" Sullivan, Vice President for Labor Relations and Vessel Operations has been repeatedly and forcefully reminded of this fact during bargaining, but he persists in peddling the company's concessionary line which has made no impact on the Negotiating Committee.

Sullivan stated at the first bargaining session on June 13, that the company plans to contract for two new 3,600 TEU container ships by September at a cost of \$200 million each to be delivered September of 2016 and April of 2017. These "Aloha-class" vessels will be capable of operating on either fuel oil or liquid natural gas (LNG).

What Sullivan wants from the

continued on page 3

STRIKE RESOLUTION

WHEREAS, Article XXV of the Sailors' Union of the Pacific's Constitution sets forth the requirements to call a strike; and

WHEREAS, the Negotiating Committee elected to bargain with Matson Navigation Company must have all the tools necessary to negotiate a new agreement; and

WHEREAS, the SUP must be prepared for all contingencies;

THEREFORE BE IT RESOLVED, that in accordance with the SUP Constitution, this Resolution shall be spread in full upon the minutes and that a vote on the Resolution be taken by secret ballot at the June Headquarters and Branch meetings; and

BE IT FURTHER RESOLVED, that an affirmation vote in accordance with Article XXV, of the SUP Constitution shall authorize the Negotiating Committee to call a strike against Matson, if necessary.

Maritime labor opposes bill to slash Food for Peace

Legislation to implement the Obama Administration's budget proposal to gut the Food for Peace program brought

a swift response from maritime labor. On May 21, the Sailors' Union of the Pacific, American Maritime Officers (AMO), International Longshoremen's Association (ILA), International Organization of Masters, Mates & Pilots (MM&P), Marine Engineers Beneficial Association (MEBA), Marine Firemen's Union (MFU), Maritime Trades Department, AFL-CIO, Seafarers International Union-AGLIWD and the Transportation Trades Department, AFL-CIO, sent the following letter to every member of the House of Representatives:

On behalf of the undersigned organizations representing American workers in the maritime, longshore and transportation industries, we ask that you join us in strong opposition to H.R. 1983, legislation that would implement the Administration's proposal to end the effective and transparent PL 480 Food

for Peace Program. H.R. 1983 ("Food Aid Reform Act") would replace this Program, which is predicated on the donation of American-produced agricultural commodities, with a program that sends American tax dollars overseas so they can be used to purchase foreign produced agricultural commodities, foreign shipping services, or for any other purpose the foreign recipient of American tax dollars chooses.

Under the existing PL 480 Food for Peace Program, U.S. grown agricultural commodities are transported to American ports, processed, bagged and loaded onto American ships by American workers, and carried by U.S.-flag, U.S.-crewed vessels to those in need. Under H.R. 1983, this system would end, the U.S. economic activity generated by the PL 480 Program would be lost to foreign companies, and the associated American jobs, including the jobs of American

workers our organizations represent, would, like the American tax dollars, be sent overseas.

Despite what the proponents of this legislation and the Administration's proposal contend, ending the PL 480 Food for Peace Program will diminish our nation's U.S.-flag sealift capability and will result in the loss of American jobs. It is the privately-owned U.S.-flag maritime industry that is called upon by the Department of Defense to deliver the supplies and equipment needed to support our troops and their mission overseas. In fact, more than 95% of all the cargo sent to Iraq and Afghanistan has been carried by U.S.-flag, U.S.-crewed vessels.

In 2011, then-Commander of the Department of Defense Transportation Command, General Duncan McNabb told Congress that, "The movement of international food aid has been a major contributor to the

cargo we have moved under the cargo preference law that our U.S. commercial sealift industry depends on." He warned Congress that, "Any reductions will have to be offset in other ways to maintain current DOD readiness."

Significantly, General McNabb's statement was made prior to the time the Administration set its policy to eliminate the PL 480 Food for Peace Program, and prior to the time the Department of Defense and all Federal agencies were obligated to express support for this policy. When DOD was free to look objectively at the impact that reductions in food aid cargoes for the U.S.-flag merchant marine would have on DOD readiness, their conclusion was that readiness would be adversely affected. As recently stated by the Navy League of the United

continued on page 2

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



SUP Honor Roll

Voluntary contributions from the membership to the following funds:

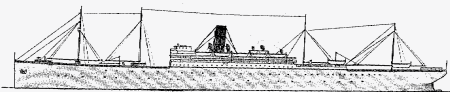
Organization/
General Fund

Political Fund

Brendon Bohannon in lieu of
dues increase..... 25.00
Leo Moore 100.00
Steven Ross 50.00

West Coast Sailors

Thomas Dougherty 25.00
Robert Doyle 25.00
Alexander Earle 25.00
Robert Greene..... 100.00
James Kerns 25.00
Sally Lafayette..... 20.00
John Mancilla in memory of
Tommy Basford,
Barney Taylor,
Freddie Cato,
Duane Hewitt 100.00
Charles Rafael..... 25.00
Roberto Ramirez..... 25.00
Carl Schou 50.00
William Smith..... 25.00
Kai Sorensen 25.00
Wayne Tucker 40.00
Richard Walsh..... 25.00



Archie Bickford..... 50.00
Robin Colonas 50.00
Dave Connolly 100.00
John Drolla 20.00
Marc Dulay 20.00
Alexander Earle in memory of
Billy McAndrew 25.00
Robert Greene..... 100.00
Gunnar Lundeberg..... 50.00
Napoleon Nazareno..... 20.00
Michael O’Boyle 100.00
David Purganan 20.00
Napoleon Ramon.....10.00
Teo Rojas 50.00
Jonathon Rose 50.00
Ralph Senter 100.00
Elston Wong.....10.00

Dues-Paying Pensioners

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

Summer jobs bill that puts students to work at nation’s ports introduced in the House

Last month, Congresswoman Janice Hahn (D-California) introduced the Port Opportunity, Reinvestment and Training (PORT) Act (H.R. 2163) a youth summer jobs bill that establishes a grant program to help young people from disadvantaged communities find summer work at our nation’s ports –powerful engines of opportunity and jobs.

With the unofficial start of summer kicking off on Memorial Day weekend amidst soaring youth unemployment rates, many of America’s young people are faced with the daunting task of trying to find a job for the summer, particularly those from low-income families and limited resources.

“With youth unemployment at a staggering 16.2%, more than double the national rate of 7.5%, our young people are suffering disproportionately in this recovering economy,” said Congresswoman Hahn. “That is why I introduced the PORT Act, a bill that will help provide our young people with the good paying jobs they need. Our youth deserve a better start.”

Currently, over one quarter of Americans aged 16 to 19 are out of work, one of the highest rates of teen unemployment in generations. The implications of this trend are troublesome: studies have shown that teenagers who have jobs earn more later in their lives because they develop vital personal and professional skills before entering the adult workforce. The continuum of work experiences from the teen years and on, including summer and part-time jobs, builds skills, knowledge and confidence.

“Summer jobs at the ports will prepare our youth with the job skills and valuable experience that is essential to their career success. Our ports are not only an economic engine, but a great resource for our communities,” Hahn added.

“Our ports are essential to our nation’s economy. As such, they can provide the necessary training and experience for our young people to access high paying jobs and succeed in their careers,” said Urban Caucus Chair Congressman Chaka Fattah (D-Pennsylvania). “The PORT Act presents this opportunity and undoubtedly helps our youth become productive members of society.”

Maritime labor opposes bill to slash Food for Peace continued from page 1

States, “to recreate the capacity it obtains from the U.S.-flag commercial industry, the Department of Defense would have to incur an additional \$9 billion in capital costs and \$1 billion in annual operating costs.”

Consequently, not only will H.R. 1983 reduce America’s commercial sealift capability but it will increase Federal spending as the Department of Defense will have to spend significantly more to replace the commercial sealift capability provided today by the U.S.-flag maritime industry.

Finally, we urge that you not be misled by the Administration’s claim that this adverse impact can be offset through a new \$25 million appropriation for affected U.S.-flag vessels. Simply put, it is the combination of the Maritime Security Program and the cargoes provided under the Food for Peace Program that keep U.S.-flag vessels in operation, keep American mariners employed, and guarantee the commercial sealift capability needed by DOD.

In fact, simply looking at whether or not a particular vessel is itself considered “militarily useful,” is not and should not be the determining factor. Rather, it is important to understand that every U.S.-flag vessel, regardless of type and regardless of what it carries and where it operates, contributes to America’s commercial sealift capability by providing employment for the American merchant mariners needed by DOD. The operation of U.S.-flag ships ensures that there is a reserve pool of qualified American mariners readily available to man the privately owned and government owned vessels needed by DOD in time of war or other emergency. Justifying the elimination of this

important base of food aid cargo because vessels that are not themselves deemed “militarily useful” is at best misleading and inaccurate.

H.R. 1983 and the Administration’s proposal are bad for the American farmer, bad for the domestic transportation industry, American ports and their workforce; bad for U.S.-flag maritime industry and the men and women who crew these ships; bad for our nation’s commercial sealift capability; and bad for the American taxpayer. We again ask that you oppose H.R. 1983 and the Administration’s proposal to end the PL 480 Food for Peace Program.

For more information, see SUP President Lundeberg’s report on page 10.

SUP Meetings

These are the dates for the regularly scheduled SUP meetings in 2013:

	Hdq.s. Branch	
July	8	15
August	12	19
September	9	16
October	Tues. 15	21
November	Tues. 12	18
December	9	16

Final Departures

William Rice, Book No. 3151. Born in Louisiana in 1929. Joined SUP in 1966. Died in Houma, Louisiana, May 10, 2013. (Pensioner)

Robert McWalters, Book No. 6232. Born in California in 1924. Joined SUP in 1948. Died in San Francisco, California, May 16, 2013. (Pensioner)

Charles Oakley, Book No. 2416. Born in Michigan in 1932. Joined SUP in 1949. Died in Boulder Creek, California, May 27, 2013. (Pensioner)

Louis Frazier, Book No. 2247. Born in Massachusetts in 1936. Joined SUP in 1987. Died in Hayward, California, May 28, 2013. (Pensioner)

Timely Reminder Third quarter 2013 dues are due and payable now!

SUP Constitution ARTICLE VI DUES AND INITIATION FEE

Section 1. The initiation fee shall be Sixteen Hundred Dollars (\$1600.00) payable in installments with the sum of One Hundred Dollars (\$100.00) being due and owing upon the member’s admission into the Union and the balance of Fifty Dollars (\$50.00) per month for each month or part thereof in SUP-contracted vessels.

The initial installment of One Hundred Dollars (\$100.00) shall accompany the application of membership and the dues shall be One Hundred Fifty Dollars (\$150.00) per quarter, payable in advance.

“If a man tells you he loves America, yet hates labor, he is a liar. If any man tells you he trusts America, yet fears labor, he is a fool.”

Abraham Lincoln

SUPPORT THE SUP POLITICAL FUND

West Coast Sailors

Published monthly by the Sailors Union of the Pacific (an affiliate of the Seafarers International Union of North America, AFL-CIO), Headquarters, 450 Harrison St., San Francisco, CA 94105. Phone: 415-777-3400. FAX: 415-777-5088. Dispatcher: 415-777-3616. Website: www.sailors.org. Periodicals’ postage paid at San Francisco. (USPS 675-180). Printed by Commerce Printing Co., a Union shop. POSTMASTER: Send address changes to West Coast Sailors, 450 Harrison St., San Francisco, CA 94105.

Gunnar Lundeberg,
President/Secretary-Treasurer
Teresa Anibale, Editor
BRANCH OFFICES
Seattle, WA 98106
4269 22nd Ave. W. (206) 467-7944
FAX: (206) 467-8119
Wilmington, CA 90744
533 N. Marine Ave. (310) 835-6617
FAX: (310) 835-9367
Honolulu, HI 96813
707 Alakea St., Rm. 101 (808) 533-2777
FAX: (808) 533-2778
WELFARE OFFICE
(415) 778-5490
PENSION PLAN OFFICE
(415) 764-4987

Negotiations with Matson continued from page 1

Pacific District Unions is what he got from the MM&P and MEBA: to bargain wages, hours and working conditions on the vessels when they are built. In short, he wants the Unions to “kick-back” for their construction!

Back in 2003 this tactic worked on the *Manukai*-class vessels as Matson did not own the vessels until they were finally delivered as they were built on speculation by Aker Kaeverner Shipyard. The Unions were then forced into concessionary bargaining and had to wait until negotiations in 2008 for the *Manukai*-class vessels to gain wage parity with the rest of the fleet.

This time is different, as Matson will own the vessels from the time the first piece of steel is laid. The position of the SUP, MFOW and SIU-Marine Cooks is that no concessions need to be made for the new vessels and that they should be incorporated into the Agreement along with the current vessels in the fleet.

Sullivan cried crocodile tears about the possibility of increased “competition” in the Hawai’i trade with Pasha Hawaii Transport Lines with the roll-on/roll-off *Marjorie C.* joining the *Jean Anne* in the fortnightly (every two weeks) West Coast/Hawai’i trade. These vessels can carry 1400 TEUs and 2,700 vehicles. Sullivan also tried to send shivers down the backs of the Negotiating Committee, “if” Horizon Lines left the Hawai’i trade and Totem Ocean Trailer Express (TOTE) entered the trade.

The fact of the matter is that Matson dominates the Hawai’i trade carrying nearly 70% of the cargo from the Mainland to the islands and has a monopoly on the Guam trade. So real “competition” is a figment of the company’s imagination intended to bamboozle the uninitiated. The Negotiating Committee was not bamboozled.

The bright spot of Sullivan’s presentation, besides the construction of new ships, is that Matson will enter the Alaska trades with two or three vessels if Horizon exits.

Due to the contentious nature of bargaining, the membership should be prepared for any contingency.

Egyptian anger grows over Suez Canal development plan

A plan by Egypt’s Islamist-led government to develop the land along the Suez Canal faces fierce opposition in districts that have been flashpoints for violence before, and may even threaten traffic on the strategic waterway.

Officials say a draft law aims to raise \$100 billion in yearly revenues, bypass bureaucracy and create an industrial hub for shipping along the 120-mile strip. Those opposing argue it gives the president absolute power to seize land.

Last month, protestors in Port Said stormed a conference that aimed to showcase the port development plan, forcefully removing attendees. While demonstrations have been limited to government buildings, activists in Suez and surrounding areas say if a draft law is passed, they could aim to disrupt the flow of shipping through Suez –a vital chokepoint for global trade especially goods and oil to Europe.

“The response to the project shows the deep distrust that many Egyptians have towards (President Mohamed) Mursi’s government and increasingly of the Muslim Brotherhood,” said James Petretta of risk consultancy Maplecroft. “While the government is desperate to increase revenue and signal to the world that Egypt is ‘open for business’, plans to put this into action are likely to be rushed and at times haphazard.”

A copy of the draft law seen by *Reuters* states the president has the right to determine the area of the Suez project and the authority’s board of directors, appointed by the president, “can own land and property, including the sequestering of ownership for public interest”.

The draft says the authority’s finances are considered “private funds”. Opponents argue such a clause will allow the state to use land as an asset against sukuk debt raisings, which if Egypt is unable to repay, can be claimed by investors.

“We are afraid that some countries who have interests with the Muslim Brotherhood, such as Qatar, will abuse the right of the lands and take advantage of this,” Islam Mosadaq, a leading Suez activist, told *Reuters*.

Thousands of activists in Suez, Ismailia and Port Said have been coordinating opposition, threatening they could escalate their protests to disrupt the main operations control center in Suez.

“I hope that we do not reach the point where we have to stop navigation at the canal but if they pass the law then this is ... the last step to escalate,” said Mohamad Hanafy, a leading activist in Ismailia.

“There are certain red lines. Anyone who thinks they can disrupt navigation of the Suez canal will be considered doing an act against Egypt’s national security and will be dealt with accordingly,” government spokesman el-Hadidi said.

Shipping sources say some vessels calling at Port Said have experienced robberies in recent months. There have already been minor stoppages affecting the canal this year by other protest groups.

Using the canal is still the quickest route between Asia and Europe, saving an estimated 15 days of journey time on average. Shipowners have told *Reuters* that re-routing around the Cape of Good Hope might be a consideration if disruptions worsened.

Mauritius piracy prison being built

A prison is being built in Mauritius for \$1.3 million to house piracy suspects awaiting trial. It will also house convicted pirates before their eventual transfer to prisons in Somalia. The facility is being built next to an existing prison in Beau Bassin, where suspects are now kept. The facility will house 60 prisoners.

Since January 25, Mauritius has been holding a dozen suspects arrested by the crew of the French frigate *Surcouf* on January 5, on suspicion of having attacked the MSC *Jasmine* 250 nautical miles from the Somali coast. The men, aged 20-45, maintain that they are fishermen, but all have been provisionally charged under the Piracy & Maritime Violence Act of 2012 with “committing an act of piracy in high seas armed with offensive weapons”. The maximum sentence would be 60 years in prison.



The last voyage of APL Japan a day before arrival to Singapore, May 20. From the left: SUP members David Green, Matthew Henning, Bosun Aaron Wiebe, Roger Berioso Delegate, John Lapollo and Chris Roblee.

Keep U.S. Food for Peace program reliable, transparent

The following editorial by Congressmen Elijah Cummings (D-Maryland), Duncan Hunter (R-California) and Nick Rahall (D-West Virginia) was published May 21, by U.S. News & World Report:

“For generations, the United States Food for Peace program has helped deliver food assistance to millions of hungry and malnourished people across the world. Through the program, food grown on American farms is transported on U.S. ships to those in need. This mutually beneficial partnership allows food aid to reach all corners of the globe while supporting domestic farm production and ensuring that the United States is able to maintain vital sealift capabilities during peacetime.

Despite this legacy of success, the Obama administration recently proposed restructuring the food aid program as primarily a cash voucher system –effectively handing out cash overseas, not food. Supporters of this drastic change, including the Washington Post, are missing important facts about U.S. food aid programs and the U.S. merchant marine.

Our existing food aid programs are reliable and transparent, and by shipping aid on U.S. vessels they utilize the most proven method for cost-effective delivery of food aid to hungry populations abroad. The administration’s proposal is unproven on a large scale and could not be implemented with the same levels of accountability and transparency that characterize our existing food aid programs.

Additionally, the supporters of these changes mis-characterize the importance of the U.S. merchant marine and the essential policy nexus between it and food aid programs. Since 1936, U.S. law has held “that the United States shall have a merchant marine sufficient to carry . . . a substantial portion of the water-borne export and import foreign commerce of the United States and . . . capable of serving as a naval and military auxiliary in time of war or national emergency.”

In 1975, there were more than 850 ocean-going vessels sailing under the U.S. flag. At the end of 2012, there were just 109 U.S.-flagged ocean-going vessels. Not surprisingly, the percentage of U.S. commercial cargoes carried on American vessels has also fallen. Thus, a study issued in 1981 by the Comptroller General found that the total percentage of U.S. commercial cargo carried in U.S.-flagged vessels had declined from 10% in 1959 to just 4% 20 years later. A study issued by IHS Global Insight in 2009 found that barely 2% of U.S. foreign trade is now moving in U.S.-flagged vessels.

To our peril, U.S.-flagged vessels no longer carry a “substantial portion” of our commercial cargoes, but we must maintain adequate sealift capacity, both to support our military and to ensure that our nation retains at least a core of skilled merchant mariners and commercial vessels of all types. If not, our national objectives will be dependent on foreign-flagged vessels operated by foreign mariners.

Food aid, carried on U.S.-flag commercial vessels pursuant to cargo preference laws, provides essential cargo for our domestic fleet. The Department of Defense has indicated that any savings that might result from reductions in such cargoes will have to be offset with substantial new expenditures to maintain sealift readiness.

We note that the merchant mariners and vessels sustained by food aid cargoes have provided 95% of the sealift capacity that has supported our troops in Afghanistan and Iraq at a cost dramatically lower than if the Pentagon had to maintain this capacity using wholly government-owned assets and federal employees.

The plan fact ignored by those who now advocate changing the scope of our highly successful food aid program is that the taxpayers have saved money by utilizing the U.S. commercial fleet to provide military sealift and food aid assistance under our cargo preference laws. Before considering such dramatic alterations to existing food aid programs, we must recognize that there are no viable, lower cost alternatives to replace this vital sealift capacity. We also should acknowledge that any such changes would only speed the decline of the U.S.-flag commercial fleet and destroy the livelihoods of the thousands of U.S. seafarers who sail those vessels.”



Paul Fuentes (second from left) fills in for Bosun Robert Greene at the APL Steam Rack with the able support of Marcelo Javier, Arthur Thanash, and Tom Koppel on May 31, in Oakland. Photo: Dave Connolly.

One Walmart’s low wages could cost American taxpayers \$900,000 per year

Walmart wages are so low that many of its workers rely on food stamps and other government aid programs to fulfill their basic needs, a reality that could cost taxpayers as much as \$900,000 at just one Walmart Supercenter in Wisconsin, according to a study released by Congressional democrats last month.

Though the study assumes that most workers who qualify for the public assistance programs do take advantage of them, it injects a potent data point into a national debate about the minimum wage at a time when many Walmart and fast food workers are mounting strikes in pursuit of higher wages.

The study uses Medicaid data released in Wisconsin to piece together the annual cost to taxpayers for providing a host of social safety net programs, including food stamps and publicly subsidized health care, to workers at one Supercenter in the state.

According to the report, Walmart had more workers enrolled in the state’s public health care program in the last quarter of last year than any other employer, with 3,216 people enrolled. When the dependents of those workers were factored in, the number of enrollees came to 9,207.

“When low wages leave Walmart workers unable to afford the necessities of life, taxpayers pick up the tab,” the report says.

After accounting for the total number of Walmart stores and employees across the state and the per-person costs of BadgerCare, as the state’s health care program is known, the report’s authors estimated that the cost of publicly funded health care comes to \$251,706 per year for a 300-employee Supercenter.

The authors then added up the projected costs of other public-assistance programs available to families on BadgerCare, such as reduced-price school meals, Section 8 housing assistance, the earned income tax credit and energy assistance. Assuming all those workers avail themselves of those additional programs –granted, an unlikely scenario– the report extrapolates that the final tab would top \$900,000.

Great Lakes shipwreck found

Almost 100 years after the *Henry B. Smith* freighter sunk during a storm in Lake Superior, a group of shipwreck hunters believes it has found the ship. It also appears that much of it is largely intact.

According to the *Associated Press*, the wreck was discovered last month in about 535 feet of water off the shore of Marquette, Michigan. The name of the ship has not yet been confirmed, but all signs indicate it’s the *Henry B. Smith*. The shipwreck is sitting in the middle of a spilled iron ore cargo.

Details on exactly how this group found the wreck remains unclear, as they hope to use the same method to find other wrecks. They used a culmination of instincts, research and data to pinpoint a specific search area – leading them to the shipwreck just 20 minutes after dropping a sonar unit into the water. An underwater camera captured detail in videos and photos to convince the group that they found the *Smith*. The vessel seems to be broken down the middle, with the stern more damaged than the front.

The crew will return to the wreck site in coming months to hopefully piece together the freighter’s fatal accident.

The *SS Henry B. Smith* was a steel-hulled lake freighter built in 1906 by the American Ship Building Company. The ship foundered and was lost on November 10, 1913, in Lake Superior during the Great Lakes Storm of 1913 near Marquette, Michigan. She was carrying a load of iron ore at the time of her sinking. There were no survivors from the crew of 25.

Oakland lures away Long Beach’s port director

The Port of Oakland pulled off a major coup last month, with the announcement that Chris Lytle, who heads the Port of Long Beach, will move up the coast to become its executive director in late July.

The news came as a surprise to many in the maritime industry because Lytle held the prestigious position of running day-to-day operations at the second largest container port in the nation and, along with officials at the adjacent Port of Los Angeles, was at the center of national policy discussions about goods movement, infrastructure development environmental mitigation, and trade because of Southern California’s importance as an international cargo gateway touching more than 40% of the nation’s containerized imports.

Oakland is the fifth busiest container seaport in the United States, with 2.2 million TEUs routed through its terminals last year compared to more than six million TEUs in Long Beach.

Lytle will receive an annual salary of \$325,000, which is below the average for similar port authorities on the West Coast with seaport and airport jurisdiction, such as Seattle. Lytle will have the additional responsibility of managing Oakland International Airport. He lived in Oakland between 1992 and 1995 when he worked for the former liner carrier Sea-Land Service, Inc.

The hiring of a big-name port director appears intended to restore credibility to the port authority’s damaged reputation following a major fraud scandal. Oakland was thrown into turmoil last year when it was revealed that top managers had skimmed travel expenses for their own benefit going back to 2008 and that the port didn’t have adequate controls in place to monitor its finances. The resulting investigation led to the retirement of former director Omar Benjamin, the departure of Maritime Director James Kwon and the naming of Deborah Ale Flint as interim executive director. New policies financial accountability and transparency were also implemented.

“The port commission set a high standard for its next leader and has successfully achieved this goal with the selection of Chris Lytle, who has a proven track record of growing business while engaging the community and ensuring leading environmental stewardship,” Board President Gilda Gonzales said in a statement.

The Board of Commissioners, which conducted a four-month search for a new port director, said Lytle’s immediate priorities will be to transform the port’s maritime business, continue to grow aviation and cargo volumes through the airport, rebuild public trust, restructure the port to be more responsive to markets and the community, complete major projects such as the Oakland Army Base redevelopment into a logistics park, and enhance the port’s 18 miles of waterfront.

Lytle took the helm at the Port of Long Beach in November 2011 following the retirement of Richard Steinke. Lytle served as deputy executive director and chief operating officer from 2008 to 2011. He joined the port in 2006 as managing director of trade relations and operations. Lytle came to port management after a career in the maritime industry. He was vice president of West Coast operations for French carrier CMA CGM, which has significant maritime and terminal operations at Long Beach, Oakland and Seattle. He has also held executive positions at P&O Ports North America and APM Terminals.

Under Lytle’s leadership, the Port of Long Beach convinced global container lines Mediterranean Shipping Company and CMA-CGM, to establish the port as their Southern California hub. The resulting realignment of terminals and services for those lines gave the Port of Long Beach an additional 900,000 containers and an estimated \$22 million per year. He also worked closely with Hong Kong’s OOCL to negotiate a \$4.5 billion 40-year lease with the Port of Long Beach –the largest lease in U.S. container terminal history. When completed in 2019, the Middle Harbor Terminal will be the most state-of-the art container terminal in the world.

Navy to name destroyer after Senator Inouye

The Navy announced last month that a new destroyer will be named after the late U.S. Senator Daniel K. Inouye, one of the most influential members of the Senate during his 50-year tenure, a tenacious fighter for the betterment of Hawai’i and a stalwart military supporter. Inouye died December 17, of a respiratory ailment at age 88.

Secretary of the Navy Ray Mabus announced the names of the next two Arleigh Burke-class guided missile destroyers –one honoring Inouye and the other a former naval secretary. “As Secretary of the Navy, it is my privilege to name these ships to honor a respected naval leader and a true American hero,” Mabus said. “For decades to come, the future *USS Paul Ignatius* and *USS Daniel Inouye* will represent the United States and enable the building of partnerships and projection of power around the world.”

Paul Ignatius served as Secretary of the Navy 1967-1969 and as Assistant Secretary of Defense under President Lyndon Johnson.

Inouye was awarded the Medal of Honor for his actions in Tuscany, Italy, during World War II and later became a U.S. Senator. “This is a wonderful tribute and I would like to thank Secretary Mabus, the U.S. Navy and the Department of Defense for this high honor,” said Irene Hirano Inouye, the late Senator’s wife. “Dan always adamantly refused when anyone suggested naming anything after him, but he would have been deeply humbled by this.” She added that as a World War II combat veteran, “The brave men and women of our armed forces held a special place in Dan’s heart and he dedicated much of his life to providing for their safety and well being. It is very fitting that a vessel bearing his name will continue to keep our troops and our nation safe.”

DDG-118, the destroyer that will bear Inouye’s name, is on contract to be built at Bath Iron Works, in Bath, Maine, a major shipyard that is responsible for the construction of multiple types of surface ships, mostly ordered by the Navy, Hanabusa said. The ship is expected to be delivered in mid-2018.

Supreme Court blocks provisions of Los Angeles clean truck program

The United States Supreme Court on June 13, struck down two additional concession requirements that are part of the Port of Los Angeles’ clean-trucks program, further damaging the ability of the Port to regulate harbor trucking. The court ruled that the port’s requirement that harbor trucks display designated placards while in service in the harbor is a violation of federal law. The court also ruled that the requirement that trucking companies develop off-street parking plans for their vehicles violated federal law as well.

The decisions represent only a partial victory for the American Trucking Associations (ATA), which initiated the lawsuit in an attempt to strike down all of the Port of Los Angeles requirements as a violation of federal law that stipulates only Congress can issue regulations affecting the rates, routes and services of motor carriers engaged in interstate commerce. However, the Court declined to decide whether the penalty provisions in the port’s clean-trucks program pertaining to non-pre-empted provisions of federal law are in violation of federal law. Specifically, the court declined to deal with the financial capacity and truck maintenance requirements of the clean-trucks program.

The Port of Los Angeles, as part of its clean-trucks program to reduce harmful diesel emissions, had issued a number of concession requirements that harbor trucking companies must meet in order to carry containers to and from marine terminals.

In a previous ruling, the U.S. Court of Appeals for the 9th Circuit struck down the main concession requirement, which was that harbor trucking companies must hire drivers as direct employees instead of classifying them as independent contractors. If that requirement had stood, Unions such as the Teamsters would have had an easier time organizing drivers.

Nicaragua Canal clears another hurdle

The possibility of a second Central American canal cleared another hurdle as the Nicaragua National Assembly ratified its government’s commercial agreement with Chinese based HKND Group to develop the Nicaragua Canal and Development Project, which would directly compete with the Panama Canal as an Atlantic-Pacific ocean link when completed.

The deal grants HKND Group exclusive rights for the planning, design, construction, operation and management of the Nicaragua Canal, a 130-mile canal linking the two oceans from Monkey Point along the Atlantic Ocean to the Port of Corinto along the Pacific Ocean. The deal also includes other potential projects, including port projects, free trade zones, an international airport and other infrastructure development projects.

“Central America is at the center of north-south and east-west global trade flows, and we believe Nicaragua provides the perfect location for a new international shipping and logistics hub,” said Wang Jing, HKND Group chairman, in a written statement.

The HKND Group has already determined that the route for the Nicaragua Canal will not follow the San Juan River. ERM, a sustainability consulting company, is in the process of independently assessing the environmental and social impact of various routes currently under consideration.

Manslaughter trial is set for captain of *Costa Concordia*

An Italian judge, last month, ordered the captain of the cruise ship *Costa Concordia* to stand trial on manslaughter and other charges related to the deadly capsizing of the vessel off the island of Giglio, Italy, in January 2012.

The judge set a July 9 trial date for the captain, Francesco Schettino. He is accused of causing the ship to run aground, resulting in the deaths of 32 people, and then abandoning the vessel while many of its 4,229 passengers and crew members were still aboard.

“Schettino’s indictment certainly did not come unexpected,” said Francesco Pepe, one of the captain’s lawyers. Pepe described the captain’s mood as very “attentive and focused on the case,” but also calm. “It’s like a driver whose bus goes off-road,” he said. “He had an accident and did all he could to reduce the consequences.”

Five other defendants –an official of the cruise ship company, Costa Cruises, and four crew members– sought plea bargains, and their cases will be judged separately.

Plaintiffs in the case lamented the fact that Schettino would be the only defendant brought to trial. “Nobody expected Schettino not to stand trial,” said Cesare Bulgheroni, one of the lawyers for a group, *Justice for the Concordia*, that represents more than 100 survivors. “But he is not the only one to be held responsible. Had the company not responded so slowly to the accident and allowed the ship to navigate so close to shore, the shipwreck would have had lesser consequences.”

Schettino has said his superiors ordered him to get close to the island, Giglio, for better sightseeing. The ship hit a rock, which gashed its hull and caused the ship to start taking on water until it capsized just off the island. In April, Costa Cruises, a subsidiary of Carnival Cruises, struck a plea bargain with prosecutors and agreed to pay \$1.28 million for administrative offenses related to the charges against its employees.

A company spokesman said 80% of the people on board –including crew members and passengers who reported serious injuries– had already accepted some compensation from the company, but declined to provide the total. Some victims’ families have also received payment.

Giglio plans to seek damages of 80 million euros, or \$103 million, said Alessandro Maria Lecci, a lawyer representing the island. Tourism decreased by 30% in the summer of 2012 from the previous summer, and the islanders’ lives have been uprooted by the wreck, he said.

The 951-foot-long *Concordia* has been lying on its side, half-submerged, near the entrance of the island’s port for 16 months as technical difficulties have delayed a complicated removal plan.

APL Wage Rates (Non-Maritime Security Program vessels)

Effective June 16, 2013

Rating	Wages		Supp.	Supp. Benefit		Money
	Monthly	Daily	Benefit Base Monthly	Daily	Monthly	Purchase Pension Plan Daily
Bosun	\$4,838.92	\$161.30	\$4,470.47	\$84.45	\$2,533.42	\$25.00
A.B.	\$3,616.23	\$120.54	\$3,356.89	\$63.41	\$1,902.35	\$25.00
AB Watchstander/						
Daystander	\$3,616.23	\$120.54	\$3,356.89	\$63.41	\$1,902.35	\$25.00
O.S.	\$2,369.20	\$78.97	\$2,647.68	\$50.01	\$1,500.44	\$18.51

OVERTIME RATES

The hourly overtime rate for all ratings

except the Ordinary Seaman..... \$29.03

Ordinary Seamen \$21.77

Money
Purchase
Pension
Plan
Daily

CARGO RATES

The hourly cargo rate for all ratings:

Straight Time Hours..... \$21.77

Overtime Hours \$35.84

SHORTHANDLED (Section 7 SUP Work Rules)

Bosun..... \$49.53

A.B. \$37.35

STOS \$28.00

STANDBY RATES (Section 43 SUP Work Rules)

Bosun

Straight Time Hours..... \$27.71 \$25.00

Overtime Hours \$45.57

A.B.

Straight Time Hours..... \$26.54 \$25.00

Overtime Hours \$43.75

SHIFT SHIP GANGS (Section 44 SUP Work Rules)

Bosun

Straight Time Hours..... \$24.53 \$25.00

Overtime Hours \$40.81

A.B.

Straight Time Hours..... \$23.13 \$25.00

Overtime Hours \$39.02

DECK PORT WATCHES (Section 55 SUP Work Rules)

Bosun

Straight Time Hours..... \$33.03

Overtime Hours \$49.55

A.B. and STOS

Straight Time Hours..... \$24.87

Overtime Hours \$37.33

FUEL OIL SPILL CLEANUPS

Straight Time, all ratings..... \$16.93

MarAd unveils virtual tour of *USNS Comet*

The Maritime Administration (MarAd) has launched a virtual tour on its website of the *USNS Comet*, a non-retention vessel currently located at its Suisun Bay Reserve Fleet in Benicia, California. This 360 degree photographic tour provides the experience of walking onboard the ship. Built in 1957, the *Comet* was the first of its kind –deep draft ocean going vessel designed for roll-on/roll-off handling of vehicles and other wheeled cargo.

Affectionately known by the nickname “Mother of All Ro/Ros,” (Ro/Ro, or Roll-On/Roll-Off describes how cargo is loaded and unloaded) the former *USNS Comet* is a vehicle landing ship originally built for the U.S. Navy. The lone ship of its class, it is named for the luminous astronomical body, and was the fourth U.S. naval vessel to bear the name. *Comet* was built at Sun Shipbuilding and Dry Dock Company of Chester, Pennsylvania and was delivered in January 1958. The *Comet* is considered to be the first oceangoing Roll-On/Roll-Off vessel. The *Comet* operated as part of the common user fleet of the Military Sea Transportation Service (MSTS), later Military Sealift Command (MSC). It was a notable participant in the U.S. response to the Lebanon Crisis in 1958.

In October 1961, Defense Secretary Robert McNamara projected that construction of five *Comet*-class ro/ro ships would begin in fiscal year 1963. Although the full program did not come to pass, *Comet*’s military capabilities eventually came to revolutionize defense sealift, with large squadrons of multi-purpose ro/ro vessels dominating the MSC fleet by the latter half of the 1990s. An enlarged sisterly vessel, the *Sea Lift* (later renamed *Meteor*) was delivered to MSTS in 1967.

Comet was among a number of MSC cargo vessels assigned to the Ready Reserve Force (RRF) in Fiscal Year 1984, with administrative control transferred to MarAd. Full title transfer came in the early 1990s. *Comet* was stationed in the San Francisco Bay area and participated in numerous RRF exercises, and in the major deployment for Operations Desert Shield/Desert Storm, operated by APL with the SUP on deck. *Comet*’s last service was for Operation Iraqi Freedom in 2003. Upon its return from this service, the *Comet* was placed in a reduced operating status in Alameda, California. It was downgraded from RRF status in 2006 and laid-up in the Suisun Bay Reserve Fleet.

The Politics of Hunger: It’s time to speak up for Food for Peace and the American Merchant Marine

by Tony Munoz, Editor-in-Chief of the Maritime Executive

Since 1954 the Food for Peace program (PL 480) has been a pillar of American generosity around the world, feeding more than a billion people. But today the \$1.4 billion program is in deep trouble as it becomes a budgetary target. Five years ago Food for Peace had a budget of \$2.3 billion, so almost one billion dollars has been removed from the program since the Obama Administration took office. Now the White House wants to further reform the program by turning it into a pure cash-voucher system, which would allow non-government organizations (NGO) to purchase food in foreign local and regional markets. The Senate just revised its Farm Bill by moving \$20 million from Food for Peace into the USDA’s LRP (local and regional procurement) program. The House Agriculture Subcommittee has proposed reducing the Food for Peace budget from \$1.4 billion to \$1.1 billion. And HR 1983 (the Food Air Reform Act), proposed by Representatives Ed Royce (R-California) and Karen Bass (D-California), is still alive in the House and intends to eliminate food aid as we now know it.

In a convoluted and misinformed statement before Congress, U.S. Agency for International Development (USAID) Administrator Dr. Rajiv Shah said that American farmers and the U.S. Merchant Marine are responsible for starving Somali children dying from severe malnutrition. Shah testified that, “The existing inefficiencies of PL-480 are inexcusable in this nation’s ability to accomplish something as profound as feeding the children of Somalia.”

To infer that American mariners and farmers are the reason children are dying of starvation in Somalia is an inexcusable statement by the head of USAID. The fact is Somalia has not had a government since 1991. The Somalian people have endured two decades of war and anarchy

and numerous droughts and floods. It is a dangerous country where warlords kill and capture hundreds of aid workers and missionaries.

The warlords send thousands of pirates into the Gulf of Aden to attack commercial ships, and hundreds of seafarers have remained in captivity for years. U.S. food aid ships have been attacked by Somali pirates, and American seamen’s lives have been endangered. Dr. Shah should be reminded of the capture of the *Maersk Alabama* and the heroic Captain Richard Phillips, who gave himself up as a prisoner to the Somali pirates rather than allow his crew to be in harm’s way. The pirates were eventually killed by an elite team of Navy SEALs, and Phillips was rescued and has since become a national hero.

Food Aid “Transparency”

There are many inefficiencies in food aid programs implemented by USAID and U.S. Department of Agriculture (USDA). Last December the GAO released a report about overlapping projects managed by these two agencies in numerous countries. The report indicated that 11 of 34 countries receiving food aid had similar programs, many of which served the same geographical areas, activities and implementing partners, and that there were duplicate programs in Guatemala and Uganda.

Since 2008, food aid funding for USAID and USDA has risen 11% to about \$3 billion. But Food for Peace funding has decreased by nearly \$1 billion in the same time period. USAID and USDA’s primary program implementers are NGOs, and it is no secret that many NGO infrastructures rival “for-profit corporations” in terms of offices, employees, and executive salaries. In 2011, according to a recent report, the top 20 NGOs working for USAID had more than \$5.1 billion in obligated funding from the agency on their books, and there are literally hundreds of NGOs working for USAID and USDA around

the world. In 2011, the NGO FHI 360 was #1 with obligated spending grants of \$804 million. Of \$474 million in total revenues that year, FHI 360 got \$403 million from the U.S. government and spent \$62 million on salaries and general administrative costs. It has 60 offices worldwide and 4,400 employees.

The Long Road from Eden

The current drawdown from Iraq and Afghanistan will have a huge financial impact on the U.S. Merchant Marine’s fleet and mariners. But the Obama Administration has been raiding the Maritime Administration and Food for Peace budgets since it entered office in 2008. The facts are, since the 1970s, the U.S. has lost over 300 shipyards and 70% of its U.S.-flagged deepwater fleet. Today, America’s deepwater fleet transports only 1.5% of cargoes to and from the United States.

The deepwater sector is still reeling from last year’s midnight Office of Management and Budget (OMB) caucus, which reduced cargo preference for food aid from 75% to 50% without warning. The White House has never explained why it reduced U.S.-flagged participation in food aid by \$35 million in the middle of the night. Yet the President continues to go about his business of trying to eliminate U.S. farmers and mariners from participation in Food for Peace altogether.

Last year he announced a six-year, \$495 billion transportation infrastructure plan for planes, trucks and trains, but there was no mention of providing monies for the maritime sector. On May 21, DOT Deputy Secretary John Porcari went before the House Subcommittee on Coast Guard

and Maritime Transportation and made it clear the Administration has no cohesive plan to support the U.S. Merchant Marine or Jones Act sector, including shipbuilding. Porcari evaded questions about numerous Jones Act waivers, saying the President has only provided waivers in national emergencies such as the Strategic Petroleum Reserve (SPR) drawdown or when Hurricane Sandy hit the eastern United States. If the ‘balloon’ went up today, the United States would need 17,000 licensed and unlicensed mariners to meet full-operation status. But there are only 12,000 mariners available in the pool, and for some reason the Maritime Administration refuses to post this information on its website. Since 2010, the U.S. deepwater sector has lost 54 ships and nearly 3,000 seafarer jobs.

In 2010, food aid transportation cost about \$350 million, of which U.S. flags moved close to \$140 million. Last year’s OMB ‘midnight raid’ reduced U.S. participation by \$35 million. The Administration seems willing to accept that 55% of the \$1.4 billion Food for Peace budget remain in its static state, which would leave \$770 million in the program, including \$192.5 million for transportation and about \$96.2 for U.S. flags.

Call to Action

During the May 21 congressional hearing, Representative John Garamendi (D-California) said it best, “The Administration is pursuing policies that will devastate the maritime industry, but I won’t allow that to happen.” Can you allow this to happen? Please call your congressperson today!

Arctic shipping code by 2016

A code regulating shipping in the high Arctic, where maritime traffic is expected to increase as the ice cap recedes, is due to be implemented in 2016, the United Nations shipping agency announced this month. Shipping along the Arctic northern sea route is set to grow more than 30-fold over the next eight years and could account for a quarter of the cargo traffic between Europe and Asia by 2030.

“We are preparing a mandatory code for polar navigation,” Koji Sekimizu, Secretary-General of the United Nations International Maritime Organization (IMO). “It will be operational in 2015 (and) will probably be implemented in 2016.” The code aims to ensure safe navigation in a fragile ecological environment, where infrastructure is few and help in case of an accident is far away. “A new code will govern all technical requirements covering design and operations,” Sekimizu said. “It will ensure the competence of seafarers... We will ensure that unless we have trained competent seafarers on board to navigate, then that vessel cannot be allowed to navigate.”

With global warming thawing sea ice, the route, which runs along Russia’s northern coast and links Europe with ports in East Asia, is opening for longer and longer each year.

Somali pirates sentenced in Kenya

A Kenyan court sentenced nine Somali citizens, each to five years in prison, this month after finding them guilty of violently hijacking a vessel, *MV Magellan Star*, in the Gulf of Aden in September 2010. The nine were captured by international anti-piracy forces before being handed over to Kenya to be prosecuted, because Somalia was not considered able to try them properly.

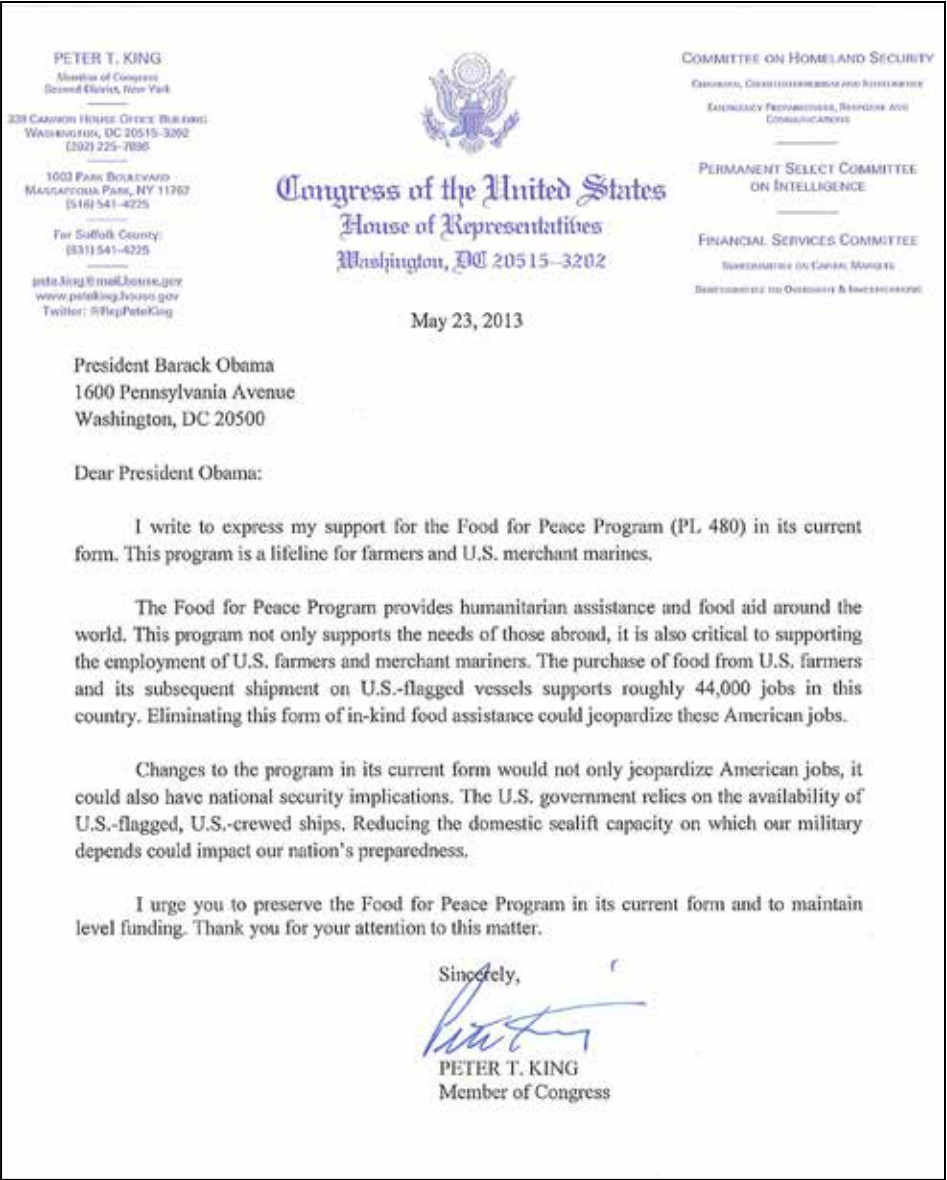
Although the number of attacks has fallen markedly since 2011, thanks to tougher security aboard ships and increased Western naval patrols, piracy emanating from the Horn of Africa nation may still cost the world economy about \$18 billion a year, the World Bank said in April.

Prosecutors told the court the men attacked the ship armed with three AK-47 rifles, a G3 rifle, one SAR rifle and other

crude weapons. “They hijacked the vessel, using violence against its crew by firing at them, and took control of the... vessel, thus endangering the lives of the crew,” they said in the charge sheet. All nine had denied the accusations, and were held in custody at one of Kenya’s maximum security prisons during the trial.

While handing down the sentence, the court noted that the accused had already served a long term in jail while the trial was in progress, and therefore, were given shorter prison terms.

“Such charges would ordinarily attract a jail term of up to 20 years,” magistrate Richard Odenyo said in his ruling, which was translated for the suspects who did not understand English. A lawyer representing the accused termed the ruling “fairly reasonable”, saying his clients had not yet decided whether to lodge an appeal.



ESU Office Assignments

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



JUNE 2013

Official Publication of the Exxon Seamen's Union

Mariners Conference in Houston – May 2013

During the month of May, ESU members participated in the newly developed Mariners Conference that was held at the Exxon building in downtown Houston. The Mariners Conference idea was developed from the Joint Union Management Training Committee meeting from October 2012. The concept of this type of conference for the unlicensed personnel is intended to provide an informational forum on a range of topics between fleet employees and shoreside management.

Agenda for the first day included opening comments and conference overview from Vice President of Operations Jon Evans followed by a Company business update from President Jack Buono. Mr. Buono spoke for about an hour about the Company's future and the excellent job that everyone is doing in the fleet, especially in the area of safety performance. He talked about how SeaRiver shoreside has an increased role within the Corporation by taking on much of the responsibility for marine services and cargo transportation needs for ExxonMobil. Jack mentioned the impending move of SeaRiver along with all other Exxon workers in the area and Fairfax to the new campus on the North side of Houston starting in 2015.

Jon Evans provided an extensive update on the new build project and transition plan for the new vessels. Discussion about crewing four vessels and manpower issues for a limited time period but going forward it looks like the size of the fleet will be three ships. Manning four ships for a temporary period in 2014-2015 will provide a challenge and depending on personnel numbers additional promotions and some hiring may be necessary. This will develop



Mariners Conference Group from the left standing: Cook Butch Berrios, MS Mike Gomes, AB Allen Bostwick, MS Curtis Dixon, VP Jon Evans, MS Barry Briggs, Bill Hoeler, AB Joe Buffington, Cook David Franklin, MS Wilbert Jackson, MS Eric Bush, AB Jonnie Wright, MS Ein Cooley, QMED Tuan Tran, AB Wen Shi Tai, Joy Bush, AB Mallory Thomas. From left sitting down: Pumpman Bob Ross, AB Joe Goulart, AB Billy Wayne Kendrick and MS Richard Scott. Photo: John Straley

as the delivery date moves closer for the first ship in the first part of 2014. Afternoon of the 1st day had a segment presented by Dona Steadman from HR on harassment in the work place and summary of benefit programs that are available to Exxon employees along with ample time to ask questions i.e. retirement questions.

The second day was mostly dedicated to a seminar presented by Walt Megonigal from the Maritime Institute of Technology & Graduate Studies (MITAS). Walt's background includes 26 years in the Marine Corp as an aviator and Top Gun flight school graduate. He's been an instructor for MITAGS for some time and has many personal experiences to share. Much of the seminar focused on leadership and human development.

The third day everyone got to hear a short review of the LPS program from new Safety Security Health and Environment Manager (SSHE) Laura Sleevi. Most of this time was spent openly discussing how the LPS program is working in the fleet from the unlicensed perspective. The third day was scheduled for a half day session but it is expected to be extended to a full day for the next conference October 1st-3rd.

General feedback about the conference from everyone that attended

was very positive. The ESU group of mariners present was very professional and represented the bargaining unit very well by actively participating in discussions on a variety of fleet related topics and issues. Overall the conference was a better than expected success and the ESU Board hopes everyone will consider attending the next conference in October. It should be another good group since the plan has been for most of the ESU Board to attend along with ESU Ship Representatives.

Ship reports

S/R American Progress

The vessel continues service between Valdez, Alaska, and discharging between Puget Sound and San Francisco Bay area refineries. AB Nathan Lambird filling in as Temporary Ship Representative and doing a good job with meetings aboard ship. Looks like the vessel will make one more trip to the San Francisco bay for cargo delivery, after that back to the Puget Sound area.

Kodiak

The vessel is on the return voyage from Singapore after an extensive shipyard period. Ship Rep. Joe Butler departed for paid leave before the ship departed the yard and called the ESU office and reported everything went well despite the scope of repair work and normal shipyard conditions. The *Kodiak* should reenter west coast ANS service during the first part of July.

Sierra

The vessel continues cargo delivery in the San Francisco Bay between Chevron Richmond and Valero Benicia. The current trip south to San Francisco should be the last one before heading to Port Angeles for ship yard preparations. Regular Ship Rep. Thor Floreen reports all is going well aboard ship with no beefs. The vessel is scheduled to be in Port Angeles around July 7, through July 16, for rafting and tank inspection before the transit to Singapore. ESU board officer planning a ship visit during the port stay in Pennsylvania.



The Kodiak during its recent major shipyard period in Singapore, where a lot of different operations goes on at the same time and heavy loads like the one pictured here which QMED and Regular Ship Representative Joe Buttler in the engine room is ready to lift and remove the two huge electric motors for repairs. The shipyard went very well with no injuries or incidents, again reflecting the quality and professionalism by the ESU membership during major shipyard periods.

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

P.O. Box 754, Seabrook, TX 77586

Tel (832) 295-3047 Cell (713) 306-9528

Fax (832) 201-0441

E-Mail: esusea@sbcglobal.net

President/Secretary John Straley

Vice President/Treasurer Leo DeCastro

Board Member at Large Joe Bernavich

Board Member at Large John McCarthy

Deck Trustee Kevin Conroy

Engine Trustee William Ackley

Steward Trustee Kurt Kreick

SUMMARY ANNUAL REPORT FOR SIU PACIFIC DISTRICT SEAFARERS' MEDICAL CENTER FUND

This is a summary of the annual report of the SIU Pacific District Seafarers' Medical Center Fund, EIN 94-2430964 for the year ended June 30, 2012. The annual report has been filed with the Department of Labor, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

Benefits under the plan are provided by the SIU Pacific District Seafarers' Medical Center Fund, a trust fund.

Basic Financial Statement

The value of plan assets, after subtracting liabilities of the plan, was \$(89,348) as of June 30, 2012, compared to \$(78,132) as of July 1, 2011. During the plan year, the plan experienced a decrease in its net assets of \$11,216. During the plan year, the plan had total income of \$617,282, including employer contributions of \$613,413, earnings from investments of \$133 and other income of \$3,736.

Plan expenses were \$628,498. These expenses included \$161,796 in administrative expenses and \$466,702 in benefits paid to participants and beneficiaries.

Your Rights to Additional Information

You have the right to receive a copy of the full annual report, or any part thereof, on request. The items listed below are included in that report:

1. An accountant's report;
2. Financial information and information on payments to service providers; and
3. Assets held for investment.

To obtain a copy of the full annual report, or any part thereof, write or call the office of SIU Pacific District Seafarers' Medical Center Fund, 730 Harrison St., Suite 400, San Francisco, CA 94107, (415) 392-3611. The charge to cover copying costs will be \$2.00 for the full annual report or \$.25 per page for any part thereof.

You also have the right to receive from the plan administrator, on request and at no charge, a statement of the assets and liabilities of the plan and accompanying notes, or a statement of income and expenses of the plan and accompanying notes, or both. If you request a copy of the full annual report from the plan administrator, these two statements and accompanying notes will be included as part of that report. The charge to cover copying costs given above does not include a charge for the copying of these portions of the report because these portions are furnished without charge.

You also have the legally protected right to examine the annual report at the main office of the plan at 730 Harrison Street, Suite 400, San Francisco, CA 94107, and at the U.S. Department of Labor in Washington, DC, or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: Public Disclosure Room, N-1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, DC 20210.

Welfare Notes June 2013

Dental Treatment

When major dental work is necessary, it is recommended that you get an estimate from your dentist before the services are started. You should know in advance what your payment obligations will be.

Most plans for Active participants have a waiting period for new members before major work is allowed. The waiting period may be 6 months to 12-months. Crowns, bridges, and dentures are considered major work.

All plans also have limitations and calendar year maximums. Implants and cosmetic dental work are not covered expenses. Co-payments required for treatment by members can be submitted to the Plan office for reimbursement. Non-covered services are not reimbursable by the SUP Welfare Plan. Co-payments for dependents are not reimbursable expenses.

Your HMO or PPO dentist should submit a treatment plan to the HMO or PPO carrier prior to beginning major work. After the treatment plan is approved, your dentist can then inform you of what your payment obligations will be. Active Participants can contact the Plan office to make sure you are enrolled in a dental plan.

Emergency treatment performed by a dentist outside of the Plan can be submitted to the HMO carrier as a claim, however, the reimbursement allowance is very limited.

The maximum allowance for dental treatment under the Pensioners' Annual Allowance is included in the \$500.00 fiscal year maximum for medical co-payments and vision. (Example: \$250.00 medical, \$100.00 dental, & \$150.00 vision would total the \$500.00 maximum).

It is also recommended that Pensioners check with your dentist about your payment obligations before proceeding with major dental work. The dental office may be willing to arrange for a payment plan. The new fiscal year begins August 1, 2012.

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

Membership and Ratings Committee

Met on June 6, 2013, and found the following members eligible for advancement in seniority and rating stamps in the various departments:

Name and Membership Number	Seatime	Rating	Seniority
Kim Dulay 19324	1 Year	O.S.	B
Alan O'Neal 19330	1 Year	A.B.	B
Kevin Kestel 19331	1 Year	O.S.	B

Rating Stamps - None
Membership and Ratings Committee's Report – M/S to concur with the Committee's report. Carried unanimously. Membership and Ratings Committee: Noel Itsumaru #886, Mark Pfaff #3852 and Mike Worth #3629.

SUMMARY ANNUAL REPORT FOR SIU PACIFIC DISTRICT SUPPLEMENTAL BENEFITS FUND, INC.

This is a summary of the annual report of the SIU Pacific District Supplemental Benefits Fund, Inc., EIN 94-1431246, for the year ended July 31, 2012. The annual report has been filed with the Employee Benefits Security Administration, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

Benefits under the Plan are provided by the SIU Pacific District Supplemental Benefits Fund, Inc., a Trust Fund.

Basic Financial Statement

The value of plan assets, after subtracting liabilities of the plan, was \$(299,616) as of July 31, 2012, compared to \$(270,015) as of August 1, 2011. During the plan year, the plan experienced a decrease in its net assets of \$29,601. This decrease includes unrealized appreciation or depreciation in the value of plan assets; that is, the difference between the value of the plan's assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year. During the plan year, the plan had total income of \$9,494,912, which included employer contributions of \$9,493,441, realized losses of \$5,648 from the sale of assets, and earnings from investments of \$7,119. Plan expenses were \$9,524,513. These expenses included \$411,062 in administrative expenses and \$9,113,451 in benefits paid to participants.

Your Rights to Additional Information

You have the right to receive a copy of the full annual report, or any part thereof, on request. The items listed below are included in that report:

1. An accountant's report;
2. Financial information and information on payments to service providers;
3. Assets held for investment; and
4. Transactions in excess of 5% of plan assets.

To obtain a copy of the full annual report, or any part thereof, write or call the office of SIU Pacific District Supplemental Benefits Fund, Inc., at 730 Harrison Street, Suite 400, San Francisco, CA 94107, telephone number (415) 764-4990. The charge to cover copying costs will be \$4.00 for the full annual report or \$0.25 per page for any part thereof.

“The rights of employees freely to organize for the purpose of collective bargaining should be fully protected.”

*President Franklin D. Roosevelt
Message to Congress 1935*

Editor's Note: To receive the *West Coast Sailors* via first-class mail it's \$25 per year U.S. mail; \$45 per year international.

Receive the *West Coast Sailors* via First Class Mail

Name (print) _____ Book No. _____
Address _____
City _____
State _____ Zip _____ Country _____



U.S. \$25; International \$45 per year
Send check or money order to:
West Coast Sailors
450 Harrison Street
San Francisco CA 94105



Aboard the APL Korea in Oakland in the early morning of May 17, from left to right: AB John Pancho, Bosun Ernesto LeCarneque, and Crane Driver Phil Romei secure the crane after engine room parts lifts and before heading to breakfast. Photo: Dave Connolly

District Court tosses out NLRB's ruling against ILWU in Portland dispute

The United States District Court Judge Michael W. Mosman has issued an order vacating the National Labor Relations Board's August 13, 2012 decision in International Brotherhood of Electrical Workers, Local 48, 358 NLRB No. 102 (IBEW, Local 48) in which the NLRB intervened in a private contractual dispute between the International Longshore and Warehouse Union and ICTSI Oregon, Inc. and awarded work to public-sector employees working for the Port of Portland. The order is the result of a lawsuit filed against the NLRB by the Pacific Maritime Association on September 7, 2012. PMA argued in its lawsuit that the NLRB impermissibly denied PMA's motion to intervene in IBEW, Local 48 and unlawfully expanded its jurisdictional reach to public-sector employees who are expressly excluded from the National Labor Relations Act by Congress.

At the conclusion of the June 4, 2013 hearing that resulted in the June 18 order, District Court Judge Mosman concluded that the Board had overstepped its reach:

"And what I said tentatively earlier I now say by way of holding that I find that that is what happened here: The agency's decision did in fact violate a clear statutory mandate, and its explanations for why it did not do so either answer the wrong question or otherwise really fail to take up what it did wrong here, and I am persuaded that it was clear and a violation."

The order states that the NLRB "exceeded its statutory authority" by issuing IBEW, Local 48, and the order vacates the NLRB's decision in IBEW, Local 48 completely.

"This is an extraordinary step for the District Court to take, and it highlights the fact that the Board had no right to interject itself in this manner on behalf of ICTSI," said ILWU Coast Committeeman Leal Sundet. "The ILWU is in a dispute with ICTSI about whether or not ICTSI will comply with the collective bargaining agreement that it signed onto by voluntarily becoming a PMA member back in 2010. ICTSI decided that it didn't have to abide by its labor agreement with the ILWU and sought help from the NLRB and the Port to avoid adverse arbitration decisions. Today's court order vacating the NLRB's 10(k) decision confirms what the Union has been saying all along – that the Board's authority is limited, and that in this case it should have respected our internal dispute resolution process to which both ICTSI and the ILWU are bound. Neither the NLRB nor the Port of Portland should be using public assets to assist a private corporation that refuses to honor its express commitments to its workforce."

The Pacific Maritime Association and the International Longshore and Warehouse Union have loaded and unloaded cargo at all West Coast ports since 1934, and ICTSI Oregon leased Terminal 6 from the Port of Portland in 2010. The Port of Portland privatized Terminal 6 in 2010, and in so doing, relinquished operational control of the facility to Philippines-based ICTSI, which also operates terminals in the Philippines, Brazil, Poland, Japan, Madagascar, Indonesia, Syria, China, Georgia, Colombia, Brunei, Mexico, Ecuador, Argentina, Croatia and India.

Navy League of the United States blasts hearing on Food Aid

The following letter was sent to Ed Royce (R-California), Chairman of the House Committee on Foreign Affairs, and Congressman Elliot Engel (D-New York), the Ranking Member of the Committee by Bruce Butler, Executive Director of the Navy League of the United States:

"During the June 12 House Foreign Affairs Committee hearing on International Food Aid Modernization, witness Andrew Natsios, former Administrator of the U.S. Agency for International Development (USAID) and current Executive Professor at the George H.W. Bush School of Government and Public Service at Texas A&M University, responded to a question from Chairman Royce that maritime cargo preference requirements have outlived their usefulness and that the general justification for it doesn't exist anymore. During the response, Mr. Natsios also implied that U.S.-flag capability is not important in a post cold war environment and stated that U.S.-flag ships had not been called on during the past decade to "protect maritime security". The response confirms that Mr. Natsios is not an expert on maritime issues and national security, nor is he aware that U.S.-flag ships and U.S. citizen mariners contributed overwhelmingly to the sealift support mission leading to and during military operations in Afghanistan and Iraq during the very decade referenced in his response.

Throughout history, the U.S. maritime industry has played a vital role supporting the nation's military efforts, whenever and wherever necessary, including through dangerous combat zones. With respect to U.S. military operations throughout the past decade, more than 90% of all cargoes bound to and from Afghanistan and Iraq were transported on U.S.-flag ships. The unprecedented efficiency of the sealift effort was the product of planning and partnership by U.S. Government Agencies with U.S.-flag shipping companies and maritime labor. It involved a combination of capabilities: early surge deployments with Government-owned assets operated by U.S.-flag ship managers and affiliated civilian crews under Navy operational control, and sustainment deployments of privately-owned and operated U.S.-flag, U.S.-crewed commercial vessels under Department of Defense service contracts or under Navy time charters.

The Nation's framework of maritime programs and policies should be viewed for their value as a means to grow and maintain a viable U.S.-flag merchant marine, but also for their cost effectiveness since they allow the Department of Defense to forego the need to spend billions of dollars building and maintaining equivalent assets. For example, the Maritime Security Program provides the Government assured access to sealift capacity in the form of commercial ships, citizen crews, operations and management, and related intermodal infrastructure while costing taxpayers less than 10% of what it would cost if the Department of Defense were to acquire, operate, and maintain equivalent sealift capabilities on its own. In April 2011, testimony before the Senate Armed Services Committee on surge operations to Afghanistan, General Duncan McNabb, Commander, U.S. Transportation Command articulated the value of maintaining a strong U.S.-flag maritime industry.

"The big thing here is that we have not had to activate one military vessel to handle this. It's all been handled by our commercial partners... [and] they stepped up superbly to both bring this stuff out of Iraq and into Afghanistan... If we can use commercial, it's the cheapest way to do it, and it keeps our U.S.-flag fleet strong... They do depend on cargo preference and they do depend on the Maritime Security Program, and those two programs are really valuable so that we have a strong U.S.-flag fleet, which is in the interest of the taxpayer and in the interests of the warfighter."

By any reasonable measure, MSP and cargo preference are indeed a bargain for United States taxpayers even without accounting for the economic benefits derived from maintaining critically important citizen jobs and related tax revenues.

We strongly oppose the proposed changes to food aid and the threats to cargo preference laws. Our national security depends on a strong U.S.-flag merchant marine fleet. On behalf of 47,000 Navy Leaguers, we urge the Committee to invite experts on the role of the U.S.-flagged merchant marine to add their perspective on the impact of the proposed changes for the record."

Matson and Royal Hawaiian partner for Waikiki Beach Boys exhibit

The Royal Hawaiian Hotel has partnered with Matson Navigation Company to present the "Waikiki Beach Boys" exhibit, showing a collection of rarely seen photographs of legendary Waikiki Beach Boys on Oahu in front of the iconic resort.

The exhibit will open to the public on July 9. The prized images reveal archived photos of renowned watermen in the late 1920s to the late 1940s interacting with guests who stayed at The Royal Hawaiian and Hawai'i.

The exhibit will be on display at the resort's Coronet Lounge until December 31, 2013 with no admission fee. This rare collection of photographs features well-known beach boys including Chick Daniels, Duke Kahanamoku, Sam Kahanamoku, David Kahanamoku, Louis Kahanamoku, Sargent Kahanamoku, Sally Hale, Tom Blake, Pua Kealoha, Panama Dave, Curly Cornwell, a variety of Matson surf posters, and more.

Starting in the mid-1920s, visitors from all over the world began arriving at Aloha Tower on Matson passenger ships and vacationing at The Royal Hawaiian enjoying the exotic wonders offered on Waikiki Beach including surf and canoe lesson provided by Waikiki Beach Boys.

Over 40 photographs will be presented on large canvas prints lining the walls of the Coronet Lounge.

Matson Navigation Company was instrumental in the development of tourism to Hawai'i and the South Pacific. A fleet of Matson Lines cruise ships, the most famous being the *S.S. Lurline*, traveled from the mainland to Hawai'i from the 1920s to 1960s. Matson built The Royal Hawaiian in 1927, so luxury accommodations were both available afloat and ashore.

Matson photographers took thousands of snapshots of the celebrities and world-class travelers who traveled on its ships and vacationed in Waikiki. Matson Navigation Company Archives encompass a vast collection of photographs and artwork from Matson Lines passenger and hotel era, 1920s to 1960s.



SUP President's Report

June 10, 2013

FOOD FOR PEACE

As the battle to protect the Food for Peace (P.L. 480) program continues, the Senate and the House of Representatives both made key decisions this month regarding the Obama Administration's budget proposal for a cash-based voucher program to replace the shipment of U.S.-donated commodities aboard American-flag vessels.

On June 3, the Senate voted to approve an additional \$20 million for a voucher program that would allow the U.S. Agency for International Development (USAID) to make local food purchases in countries near hunger zones, but resoundingly rejected the rest of the administration's proposed package to "restructure" Food for Peace.

On June 5, the House Appropriations Subcommittee on Agriculture voted to keep Food for Peace under its control. The White House wanted to shift that jurisdiction to the authorizers and appropriators that oversee the State Department. However, it then cut the program by 20% to \$1.15 billion, for fiscal year 2014 citing the need for cost reductions in order to control the federal deficit.

Farm bills pending in the House and Senate would also ensure that Food for Peace would remain in its current form. While these are small victories, the battle to maintain the program and its funding is far from over.

On May 15, Congressman Ed Royce (R-California), Chairman of the House Foreign Affairs Committee introduced the Food Aid Reform Act (H.R. 1983) that essentially reflects the Obama Administration's budget proposal to gut Food for Peace. This bill appears to have little support. As of today's meeting it has only three co-sponsors: Congresswoman Karen Bass (D-California), Congressman Jered Huffman (D-California) and Congressman Trey Radel (R-Florida). In response to this misguided legislation, the SUP, MFOW, SIU-AGLIWD, MM&P, MEBA, AMO, ILA, the Maritime Trades Department (MTD) and the Transportation Trades Department (TTD) sent a strongly-worded letter to every member of the House of Representatives in opposition to the bill. The letter will be published in this month's *West Coast Sailors* on page 1.

In addition, the battle to protect Food for Peace continues to receive press from maritime media outlets. Tony Munoz, Editor-In-Chief of the Maritime Executive ran an editorial this month calling for the protection of the food aid program in order to maintain the U.S. Merchant Marine. His article, "The Politics of Hunger," will be published in this month's *West Coast Sailors*.

SAN FRANCISCO BAR PILOTS

After caucusing on several occasions with members employed by the San Francisco Bar Pilots, negotiations began on June 4, and continued on June 6, without much headway being made on the proposals exchanged for both Marine Personnel and the Dispatchers.

Participating in bargaining for the SUP were Geoff Knight, Delegate Mike Koller, Nick Marinovich, Steve Messenger, Bosun Leo Moore, Dave Stuhlbarg, Steve Swinson, Louie Urbano, Peter Winter, Vice President Dave Connolly and your secretary. The Pilots were represented by Captain Peter McIsaac, Port Agent; Captains Zack Kellerman, David McCloy and Ray Riddens; Marine Superintendent C.J. Johnson and Human Resources Manager Claudia Hernandez.

Future bargaining sessions are scheduled for this afternoon (June 10) and tomorrow. If a settlement cannot be achieved, future meetings will be scheduled prior to the expiration of the contract on June 30.

MATSON NAVIGATION COMPANY

The Negotiating Committee elected at the May Headquarters meeting – Brothers Paul Fuentes, Izzy Idris, Noel Isumaru, Sam Scott, Art Thanash and Mike Worth— met along with Vice President Dave Connolly

and your secretary on May 15, and May 24, to review membership proposals for bargaining with Matson. MFOW President Anthony Poplawski, SIU-Marine Cooks West Coast Vice President Nick Marrone and your secretary met on May 31, to discuss negotiations. On June 5, the SUP and the MFOW Negotiating Committee met jointly to discuss General Rules bargaining issues.

Bargaining begins on June 13, at SUP Headquarters. The collective bargaining agreements (Offshore, Maintenance and Extra Maintenance) with Matson expire on June 30.

APL MARINE SERVICES

In accordance with the April 1, 2009, collective bargaining agreement between the SUP, MFOW, SIU-Marine Cooks and APL, wages and wage-related items (overtime, cargo rates, Supplemental Benefits) will increase by 3% on June 16, in non-Maritime Security Program (MSP) vessels. Currently those vessels are the President Polk, President Jackson and President Truman.

However, as reported last month, these vessels are scheduled to lay-up in Singapore prior to being scrapped. The lay-up dates are as follows: Polk, July 3; Jackson, July 17; and the Truman on July 24. The APL Belgium is expected to be reflagged to U.S. registry by the end of July as the only non-MSP vessel in the APL U.S. fleet.

Recommend that the wage increase be applied to wages and wage-related items.

New wage rates will be published in the June issue of the *West Coast Sailors*.

It should be noted that on October 1, wage and wage-related items in MSP vessels (*APL Agate, APL China, APL Coral, APL Cyprine, APL Korea, APL Pearl, APL Philippines, APL Singapore* and *APL Thailand*) and those employed under the Maintenance and Extra Maintenance Agreements will increase by 3%.

PATRIOT CONTRACT SERVICES

The Agreement between Patriot Contract Services, the SUP and MFOW covering mariners dispatched to the Kwajalein Range Services vessels *USAV Worthy, USAV Double Eagle, USAV Mystic* and *USAV Great Bridge* expires on June 30. The term of the Agreement ran from July 1, 2010 through June 30, 2011, with an option of two one-year extensions.

On May 20, the Unions were notified by Patriot that Kwajalein Range Services intends to issue another Request for Proposal (RFP) for bids for the work, but would not complete the process and make an award before the end of the current contract. Kwajalein Range Services, therefore, requested that Patriot extend the contract at the existing wage rates until September 30. Patriot then asked the SUP and MFOW to extend the Agreement, which the MFOW has approved.

Recommend that the SUP take the same action.

MIDDLE HARBOR TERMINAL

At the request of MFOW President Anthony Poplawski, attended a meeting at MFOW Headquarters on May 21, to discuss APL's plan to close Middle Harbor Terminal (Global Gateway Central) and begin vessel-calls this month as a client of Stevedoring Services of America (SSA) at the Oakland International Container Terminal. If APL gets out of the terminal business, it appears that the SUP, MFOW and ILWU will lose maintenance and repair work as the jurisdiction for that work at SSA is with the International Association of Machinists (IAM). Background on this issue was published in the January and February issues of the *West Coast Sailors*.

In attendance at the meeting were President Poplawski, MFOW Vice President Bill O'Brien, MFOW Trustees "Cajun" Callais and Anthony DeLaRosa, MFOW Shoregang Foreman Walter Washington; ILWU Local 10 President Mike Villeggiante, Local 10 Business Agent Frank Gaskin, and rank-and-file members Richard Mead and Melvin McKay; MEBA Executive Vice President Dave Nolan and MEBA Representative Joe Brooke; Car-

penters Local Senior Field Representative Ruben Lopez; SUP Vice President Dave Connolly and your secretary. Also in attendance was attorney Peter Saltzman.

The meeting participants had a full and frank discussion on each Union's collective bargaining relationship with APL at Middle Harbor and a strategy going forward to attempt to retain the work.

This meeting was followed up with one on May 28, with Oakland Mayor Jean Quan to express the respective Unions concern regarding APL's lease at Middle Harbor and the potential loss of work. MFOW President Poplawski, SUP Vice President Connolly, Local 10 President Villeggiante, Local 10 Business Agent Gaskin and ILWU members Mead and McKay attended this meeting.

HOLIDAY

All SUP halls will be closed on Thursday, July 4, in observance of Independence Day.

BLOODY THURSDAY

The annual commemoration of Bloody Thursday will be held at ports up and down the West Coast this year on Friday, July 5. Details of the observance will be published in the June *West Coast Sailors*.

SUP members on the beach are urged to attend these events which mark a red letter day during the 1934 coastwise maritime strike.

Two SUP brothers were killed in the 1934 strike and its aftermath. Olaf Helland was struck by a tear gas bomb on July 20, 1934, in Seattle, during the Battle of Pier 41 and died August 6.

On ships at sea, particularly those owned by Dollar Line (the predecessor of American President Lines), it was a continuous battle to rid the ships of scabs in 1934 and 1935. Union men and scabs fought on the *Presidents Grant, Hoover, Hayes, Adams* and *Coolidge* in Hong Kong and Manila. SUP member Bruce Lindberg, aged 20, was knifed and killed by the ship's scab carpenter on the *President Grant* on February 3, 1935, in Hong Kong. The murderer, Alvin Chown, was never brought to justice. That same year on July 5, Brother Lindberg's mother and the widow of slain ILA longshoreman Shelvy Daffron, led a parade of 5,000 maritime workers in Seattle to mark Bloody Thursday.

ACTION TAKEN

M/S to allocate to wages the 3% increase in APL's non-MSP ships. Carried unanimously.

M/S to extend the agreement with Patriot for KRS vessels. Carried unanimously.

M/S to concur with the balance of the President's report in its entirety. Carried unanimously.

Gunnar Lundeborg



SUP member and UFCW Communications Director Mike Henneberry and his son Eamon on the bridge of the Ready Reserve Force ship *Cape Orlando* on Maritime Day, May 22. Photo: Dave Connolly.

Gulf of Guinea piracy rate nearly doubles

Pirate attacks off West Africa’s mineral-rich Gulf of Guinea have almost doubled from last year and threaten to increase the costs and jeopardize the shipping of commodities from the region.

The Gulf of Guinea, which includes Nigeria, Ghana and Ivory Coast, is a major source of oil and cocoa and increasingly metals for world markets, although international navies are not actively engaged in counter-piracy missions in the region. Unlike waters off Somalia and the Horn of Africa, where ships can transit past at high speed with armed guards on board, many vessels have to anchor off West African coastal nations, with little protection, making them a soft target for criminals.

A study published this month showed piracy in the Gulf of Guinea cost the world economy between \$740 million and \$950 million last year and that figure is expected to grow in 2013. Kaija Hurlburt of advocacy group Oceans Beyond Piracy (OBP), which co-authored the report, said the type of vessels attacked had become more diverse. “The impact on the commercial trade sector is a problem,” she said.

A separate study by OBP earlier this year estimated the cost of Somali piracy fell 12.5% in 2012 to \$5.7 billion-\$6.1 billion, helped by vigorous navy action, the deployment of private armed security guards and defensive measures on ships. In contrast, the World Bank in April estimated Somali piracy may still cost the world economy about \$18 billion a year.

Data from watchdog the International Maritime Bureau (IMB), another of the latest study’s authors, showed attacks in the Gulf of Guinea for the year to date reached 67 incidents, versus 34 in the same period last year. These included five attacks off Togo, versus five in the same period last year. Apart from the fear of increasingly violent attacks in the Gulf of Guinea, the study said seafarers were concerned that authorities in the region could not be relied upon. “We had a ‘port inspection’ and they took eight tins of paint, two coils of rope, and several bottles of whiskey,” one seafarer said in the report. “If the ‘authorities’ do this, who do we rely on for help?”

This month the Joint War Committee, which groups syndicate members from the Lloyd’s Market Association (LMA) as well as representatives from London’s insurance company market, added Togo to its list of high risk areas for merchant shipping, which already includes Nigeria and Benin. “We were recognizing the trend of increased risk to the assets the market insures,” LMA senior executive Neil Roberts told *Reuters*. “All the reports indicate the situation will continue for a while. We need to be alive to that as insurers.”

The study, which was also put together by industry alliance the Maritime Piracy Humanitarian Response Program, estimated the total insurance cost for the Gulf of Guinea last year was between \$423 million to \$437 million. “We expect, especially with the expansion of the high risk zone by the Joint War Committee, that is going to lead to a higher cost of insurance,” said OBP’s Hurlburt. “We have already seen a greater number of kidnappings for ransoms,” she said. “There might be a higher cost for private security as we move forward.”

Analysts say while Somali gangs have focused on capturing vessels to extract ransom money, criminality in West Africa, including oil theft, poses more complex problems.

World’s three biggest shipping operators form an alliance

Danish shipping company A.P. Moller-Maersk says the world’s three biggest shipping container operators have entered an alliance to reduce fuel consumption and improve service and operations. Vincent Clerc of the Copenhagen-based company’s shipping unit says MSC Mediterranean Shipping Company S.A. and CMA CGM of France will form the P3 alliance with Maersk Line.

The alliance will be an independently operated network with 255 vessels and is to start operations next year, depending on regulatory approvals. Maersk stressed the companies will continue to have fully independent sales, marketing and customer service functions.

The P3 alliance will operate a capacity of 2.6 million containers between Asia and Europe, across the Pacific Ocean and the Atlantic Ocean.

July 5 events for Bloody Thursday

- Seattle:** The annual family picnic sponsored by ILWU Locals 19, 52 and 98, will be held at Vasa Park Resort, west side of Lake Sammamish from 11:00 A.M. to 3:00 P.M.
- Portland:** A memorial wreath ceremony begins at 11:00 A.M., then a walk to the Willamette River followed by a picnic sponsored by ILWU Local 8. A family picnic follows at Oaks Park with BBQ, soft drinks and live music provided.
- San Francisco:** At ILWU Local 10, at 400 North Point starting at 10:00 A.M. followed by a complimentary lunch at noon. Family event with lots of activities for kids.
- Los Angeles/Long Beach:** The ILWU Local 13 will be hosting a picnic at Harry Bridges Park in Long Beach, next to the *Queen Mary*, from 12:00 P.M. to 6:00 P.M.

Vice President’s Report

June 2013

In addition to the routine duties of the front office, I assisted the Secretary-Treasurer in the preparation for and conduct of negotiations with Matson Navigation Company and the San Francisco Bar Pilots. There have been a series of meetings with both companies and although there is progress there will be many more meetings before the end of the month.

Ships checked

Mahimahi: Bert Genita, delegate. Investigation on termination in Hawai’i ongoing. Problems between the gang sorted out in Oakland. Billy Sullivan is the Bosun.

R.J. Pfeffer: Bill Wood, delegate. Crew knocked off due to STCW rest hours compliance are directed to claim payment for all hands mandatory overtime.

Manukai: Dan McDonald, Bosun. In bargaining management reiterated its consistent position that STCW rest hours are not meant to be an overtime cap, yet the complaints keep coming. Not turning all hands to for all hands work leaves an unsafe burden on the crew that is left to do the work. The company committed to pay all claims on mandatory overtime where crew KO’d.

Maunawili: Phil Howell, delegate. Bosun Juan Magana doing a bang up job SUP-style on the China run. Company agreed in bargaining to issue letters attesting to performance of designated security duties for sailors with service of at least six months in the last three years toward the Coast Guard issued Vessel Personnel with Designated Security Duties endorsement.

California Voyager: Joe Cox, delegate. Headed for the West Coast via Panama Canal.

Florida Voyager: Bryan Short, delegate. Departed Honolulu for a Singapore yard

APL Belgium: Company said tentative plans call for re-flagging to the stars and stripes in Hong Kong around July 9 with USCG inspection around July 14. This suggests a job call for this ship at SUP HQ during the first week of July. According to the schedule she’s due in New Jersey on August 7. As the *West Coast Sailors* goes to press this information is unconfirmed and subject to change.

USNS Waters: Wendy Joseph, delegate. Crew defended ship’s passage through the Panama Canal with an armed security watch but company denied payment of overtime. Pursuing collection. Update requested and given on MSC contract bids. Clarification on personnel with vessel security duties. Ship now operating from East Coast base.

Dave Connolly



Bosun Scott Oliphant and the SUP deck gang prepare to connect hoses on the Chevron Shipping Company tanker Florida Voyager soon after arrival at Richmond Long Wharf on May 31. After loading, the vessel sailed shortly for Barber’s Point, Hawai’i and then a Singapore yard. Photo: Dave Connolly.

SUP Branch Reports

Seattle

May 20, 2013

Shipped during the period: 3 Boat-swains: 1 regular job and 2 to Navy bottoms filled with 1A-card and 2 B members. 11 Able Seaman berths shipped and filled with 8 A, and 2 B, and 1 C seniority members. 1 Ordinary Seaman and 1 STOS filled with a C and D-Registrant. 15 standbys filled by 4 A's, 4 B, 3 C's and 2 Registrants.

Registered: 15 A cards for a total of 27; 6 B cards for a total of 23; and 1 C cards for a total of 5.

Ships Checked

Matson vessels *MV Manoa* and *SS Kauai* in Seattle twice with little no beefs. The *President Polk*; *APL Agate*; and *APL Pearl* called in New Jersey and called for crew replacements. And the Patriot Contract vessels *USNS Martin* and *USNS Shughart* called for crew replacements.

I represented the SUP/MFU in the following meetings: the King County Labor Council Executive Board meetings, the Puget Sound Marine Exchange annual Board of Director's meeting; the SUP holds a seat on this Board; the Seattle Marine Business Coalition meeting; the North Seattle Industrial Association meeting.

A maritime round table discussion with Washington's 1st Congressional District Congresswoman Suzan Delbene, whose district includes the Ferndale and Cherry Point refineries. And the SUP/MFU were the guest of MMP's Captain Mike Murray for U.S. Senator Patty Murray's Golden Tennis Shoe luncheon. Senator Murray continues to be a steadfast supporter of the Jones Act.

Vince O'Halloran
Branch Agent

Maritime Security Program agreements signed through 2025

All participating companies in the Maritime Security Program (MSP) including SUP-contracted APL, have submitted signed operating agreements that extend their commitment through 2025, the Maritime Administration has announced.

"It was a challenge for most operators to make this substantial long-term commitment in vessels and intermodal logistics capability given the stress they are under due to shortfalls in fiscal year 2013 funding, uncertainties of sequestration going forward, reduced government-impelled cargoes, reduced rates and increasing cost differentials to remain under the U.S.-flag," said Acting Maritime Administrator Paul Jaenichen in a letter to SUP President Gunnar Lundeborg.

"While this program will give the Department of Defense the significant sealift and global logistics capability it needs," Jaenichen said, MarAd's focus and challenge will be ensuring MSP operators remain commercially viable in order for the fleet to survive and prosper through 2025."

SUPPORT THE SUP
POLITICAL FUND

Wilmington

May 20, 2013

Shipping for the period: Bosun: 6, AB: 10, AB Maint: 5, and standbys: 59. Total jobs shipped: 80. Registrations: A: 30; B: 38; C: 11; D: 5.

Ships Checked

APL Thailand, Mahimahi, Maunalei, APL China, Mokihana, R.J. Pfeiffer, APL Philippines, Mahimahi, Manukai, APL Singapore, Manulani, Mahimahi, Maunawili (All good with Juan Magana as serang).

On April 16, attended the AMMVM Committee Meeting –getting ready for Maritime Day. On April 25, attended the Labor Day Parade Committee meeting. On May 1, Bob Bugarin and I helped take out the motor for the memorial fountain pump. On May 4, Bob and I attended the South County Labor Council's Dan Foley Outstanding Labor Leader Award ceremony. This year's recipient was Louie Diaz, VP of Teamsters Local 848. Among Louie's many hats is coordinator of the LALB Harbor Labor Day Parade held here in Wilmington.

On May 15, along with Bob Bugarin and Harold Uriarte, I attended the First Blood Plaque (May 15, 1934) dedication honoring Brothers Parker and Knudsen and all those who were killed on the waterfront. The emcee was Diane Middleton. We heard from many speakers: Dave Arian, Socorro Fimbres, Presidents of ILWU 13, 63, and 94 and many others. The plaque was removed from the original site when they improved the road and built the park. Now this new plaque is in the new park near the original site.

On May 18, did our usual clean up of the Memorial Day before our May 22 ceremony. I would like to thank Eli Wegger and Robert Mintz for helping out. We scrubbed it down, rinsed it off, wiped it down and did a little touch-up painting. We are ready for another Maritime Day.

Mark Hurley, Branch Agent

Honolulu

May 20, 2013

Shipped the following jobs in the month of May: 1 Bosun relief, 2 AB Day steady, 1 AB Day relief, 1 AB Day return, 3 AB Watch steady, 1 AB Watch relief, 1 AB Watch return, 1 AB Maint steady, and 1 OS. The shipping jobs were filled by 6 A cards, 5 B cards and 1 D card. Shipped 30 standby jobs. The standby jobs were filled by 7 A cards, 6 B cards, 9 C cards and 8 D cards.

Registered in May: 8 A cards, 4 B cards, 3 C cards, and 0 D cards. To date, totaled registered: 13 A cards, 7 B cards, 8 C cards and 1 D card.

Ships checked

I visited the *Manukai, Maunawili, Maunalei, Manulani, R.J Pfeiffer, Manoa, Kauai, Maui, Mokihana, Mahimahi*, and the Paint and Rigging gang. Most are running with few or no beefs. The *Mokihana* and the *Mahimahi* are the exceptions. Some of the SUP crew members are having trouble following the Bosun's orders on these two ships. Just a reminder, the Bosun is your immediate supervisor and as long as the Bosun is following the SUP contract, you will do what the Bosun tells you to do. If you believe that the Bosun is not following the SUP contract, just let me or any other SUP official know about it and we will take care of it. Don't take matters into your own hands. That is how people get fired.

I represented the SUP at the Hawai'i Port Maritime Council meeting, the Dave Lyman Memorial Scholarship Fundraising Event, and the Honolulu National Maritime Day Cruise. This was the first year since I have been here that there was a National Maritime Day cruise, so the turnout was low. I really enjoyed myself. You leave Aloha Tower docks at 1600 hours and proceed to the sea buoy where we spread some flowers and poured out a large beer on the water in honor of the men and women who serve in the mari-

time industry. Then a prayer was said by a native Hawaiian spiritual person and we were back at Aloha Towers by 1700 hours and had a drink or two to honor the merchant mariner's commitment to serve and defend our country. I hope to see more SUP members next year at this Memorial Day Cruise, it's free and doesn't take a lot of time to show our support for the U.S. Merchant Marine, past and present.

Mahalo,

Michael Dirksen
Branch Agent

Dispatcher's
Report
Headquarters—Jan. 2013

Deck	
Bosun.....	0
Carpenter.....	0
MM.....	4
AB	3
OS	2
Standby—S.F. & N.Y.	2
Total Deck Jobs Shipped	18
Total Deck B, C, D Shipped.....	3
Engine/Steward	
QMED.....	0
Pumpman.....	0
Oiler.....	0
Wiper.....	0
Steward	0
Cook	0
Messman	0
Total E&S Jobs Shipped.....	0
Total E&S B, C, D Shipped	0
Total Jobs Shipped - All Depts.	18
Total B, C, D Shipped-All Depts.	18
Total Registered "A"	33
Total Registered "B"	27
Total Registered "C"	22
Total Registered "D"	43

ATTEND YOUR
UNION MEETINGS!

Maritime Day in Wilmington



Maritime Day in San Pedro at the Maritime Memorial, L-R: Hugh Hunter (SUP/ILWU-Retired), Captain Joe Itson (SUP/MMP-Retired), Ken (Sinbad) Delancey, Frank Davinis (SUP-Retired), Eli Wegger, Paul Bennett, Dearl Scarboro, Ron Palacios (MFOW/ Eli's Nephew). In front: Wilmington Branch Agent Mark Hurley, Hamilton Parone, and Robert Mintz.