




West Coast Sailors

Official Organ of the Sailors' Union of the Pacific

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SAN FRANCISCO, CALIFORNIA

Friday, May 21, 2010

National Maritime Day, 2010

A Proclamation by the President of the United States

Even before our Nation declared independence, our forebears recognized the importance of merchant ships and seafarers to our economic and national security. Since 1775, America's maritime fleet has risen to the challenges before them and worked to meet our country's needs in times of peace and war alike. On National Maritime Day, we recognize the men and women of the United States Merchant Marine for their contributions to America's leadership in the global marketplace, and to our security.

Civilian mariners and their ships have played an important role in equipping our military forces at sea in national conflicts. During World War II, they executed the largest sealift the world had ever known, and thousands gave their lives to help convoys with desperately needed supplies reach our troops. Their service to our Nation continues today. Merchant mariners support military operations in Iraq and Afghanistan, as well as humanitarian missions, including the delivery of supplies to Haiti following this year's devastating earthquake.

The United States Merchant Marine also shepherds the safe passage of American goods. They carry our exports to customers around the world and support the flow of domestic commerce on our maritime highways. They help strengthen our Nation's economy; bolster job creating businesses; and, along with the transportation industry, employ Americans on ships and tugs, and in ports and shipyards. Today, we pay tribute to the United States Merchant Marine, and we honor all those whose tireless work is laying a foundation for growth, prosperity, and leadership in the 21st century.

The Congress, by a joint resolution approved May 20, 1933, has designated May 22 of each year as "National Maritime Day," and has authorized and requested the President to issue annually a proclamation calling for its appropriate observance.

NOW, THEREFORE, I, BARACK OBAMA, President of the United States of America, do hereby proclaim May 22, 2010, as National Maritime Day. I call upon the people of the United States to mark this observance with appropriate activities, and I encourage all ships sailing under the American flag to dress ship on that day.

IN WITNESS WHEREOF, I have hereunto set my hand this twentieth day of May, in the year of our Lord two thousand ten, and of the Independence of the United States of America the two hundred and thirty-fourth.

BARACK OBAMA

"Sail In" brings maritime issues to the forefront with Congress

The maritime industry—Unions, U.S.-flag companies, shipbuilders and representatives of the nation's ports—came out in force in Washington, D.C. on May 13, to increase Capitol Hill awareness of the importance of America's maritime industry to the economic and national security of the United States, and to generate support for the programs and policies important to the survival and growth of the U.S.-flag merchant marine and to the jobs of American merchant mariners and America's maritime workforce.

Sponsored by the United States Maritime Coalition, the "Maritime Industry Sail In," was the first-ever Washington advocacy day celebrating the industry's contributions to America's national strength and prosperity. The "Sail In" was widely supported by various segments of the industry: the 136 participants represented 47 different companies and organizations in 48 congressional districts and 20 states.

"Sail In" participants began the day in a House of Representative hearing room with remarks by Acting Maritime Ad-

ministrator David Matsuda and a rousing address by Congressman James Oberstar (D-Michigan), Chairman of the House

(D-California) in a room off the Senate floor and with Senator Dianne Feinstein, along with representatives of Speaker Nancy Pelosi (D-California), Senator Mark Begich (D-Alaska), Senator Barbara Mikulski (D-Maryland), Congresswoman Laura Richardson (D-California) and Congressman Jerry Lewis (R-California). Issues discussed included the importance of the Jones Act, the Maritime Security Program, U.S. cargo preference laws and the need to support the development of a marine highway system.



Transportation and Infrastructure Committee. Then began a marathon day of congressional appointments in 22 groups of five-seven people.

SUP President Gunnar Lundeberg's group included MFOW President Anthony Poplawski, MM&P Pacific Coast Vice President Dave Boatner, Max Paxton of the Shipbuilders Council of America and Steve Wines of the MM&P's Maritime Institute for Research and Industrial Development (MIRAID). The group met with Senator Barbara Boxer

Lundeberg called the event "an absolute success." He added that "we all know the importance of maritime to the economy and national security, but it's often disheartening that many elected policymakers in Washington have less-than-passing familiarity of this vital industry. Of course, there are still many knowledgeable lawmakers on Capitol Hill that well understand our issues and fight for us, but our coalition made a broad step with the "Sail In" in bringing maritime newcomers aboard while at the same time strengthening alliances with our longtime Capitol Hill friends."

Container trades pin recovery hopes on increased employment for Americans

Container shipping is on track to stage a strong recovery in the U.S. trades this year, but the state of the American jobs market will dictate the final outcome. That is the key message from Piers Global Intelligence Solutions, which expects U.S. containerized imports to increase by 9.7% in 2010 after contracting by more than 15% last year.

The latest forecast compares with the figure of 6.2% projected just three months ago, and follows a "surprisingly strong" performance in the fourth quar-

ter of 2009 that points to a "more robust recovery in 2010" than had seemed likely at the start of the year. However, Piers cautions in its latest edition of *Trade Horizons* that although the recession is over, the speed of the rebound "will depend to a large extent on how rapidly the U.S. economy creates jobs for the 9.7% of workers who are officially idle." While the period of mass layoffs appears to be over, rehiring has yet to return to the level that would restore consumer confidence and lift retail spending.

That is why Piers shares the uncertainty of many senior liner shipping executives about whether the recent rebound in trade volumes reflects genuinely stronger demand, or a replenishment of inventories that had fallen to very low levels. Piers' analysts expect consumer sentiment to shift in the second half of the year as the labor market improves. Nevertheless, there is a word of caution. "Firms will continue to restock inventories during the first half of the year, but there remains the possibility that they will pause in the sec-

ond half until there is more transparency and improvement in the consumer spending sector," Piers says. That is why a slowdown in the rate of U.S. container import growth is forecast for the latter six months of 2010.

Nevertheless, prospects for the year overall are picking up, with the eastbound trade from Asia and the Indian subcontinent now expected to grow by 12.3% in 2010 after shrinking 15.1% in 2009. But the upturn is expected to be slower in 2011 at around 8%.

continued on page 3

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SUP Quarterly Finance Committee Report

SUP QUARTERLY FINANCE COMMITTEE REPORT FOR THE QUARTER ENDED MARCH 31, 2010

The Quarterly Finance Committee, duly authorized to act by the regular meeting at Headquarters on April 12, 2010, hereby submits the following report:

SUMMARY OF CASH AND INVESTMENTS

General Fund	\$691,039.52
Political Fund	\$6,556.78
Strike Fund	<u>\$1,293,730.99</u>
Total Cash and Investments 1st Qtr. 2010	<u>\$1,991,327.29</u>

GENERAL FUND

Income:	
Dues, Initiation, Assessments	\$147,475.90
Interest	20,893.33
Donations - <i>West Coast Sailors</i>	1,360.00
Tanker & Joint Committee, Hiring Hall	112,457.83
Advertising & Promotion	10.00
Miscellaneous Income, Reimbursements, Fines	2,156.38
Reimbursed Administrative Expenses	11,588.77
Contributions - General Fund	<u>3,855.00</u>
Total Income:	<u>\$299,797.21</u>
Expenses:	
Auto & Travel	\$428.00
Accounting (audit)	6,750.00
Rent	18,156.28
Postage, Printing & Office	3,981.53
Telephone & Telegraph	4,014.51
<i>West Coast Sailors</i> Publishing Expense	11,450.97
Per Capita	14,453.00
Salaries & Payroll Taxes	202,343.45
Office Workers Pension	6,240.00
Insurance	36,194.43
Field Expense	2,231.79
Committee & Neg., Conference & Conv.	1,943.97
Investment Expense	1,214.85
Advertising & Promotion	610.00
Contributions	1,100.00
Officials Pension	1,954.65
Election	10,530.66
Filing Fee	40.00

Subscription	<u>3,292.83</u>
Total Expense:	<u>\$326,930.92</u>

BUILDING CORPORATION

Income:	
Assessments	\$2,960.00
Rents	112,055.56
Bldg. Util. & Service Reim.	<u>1,319.98</u>
Total Income:	<u>\$116,335.54</u>
Expense:	
Building Services & Utilities	\$20,335.16
Repairs & Maintenance	5,969.59
Salaries & Payroll Taxes	14,841.87
Pension	314.13
Filing and License	489.00
Legal	120.00
Phone	249.55
Office	76.47
Insurance	<u>6,119.11</u>
Total Expense:	<u>\$48,514.88</u>

POLITICAL FUND

Income:	
Contributions	\$2,525.00
Interest09
Total Income	<u>\$2,525.09</u>
Expense:	
Contributions	\$500.00
Office expense	<u>31.00</u>
Total Expense:	<u>\$531.00</u>
Net Income 1st Qtr.	<u>\$42,681.04</u>

/s/ Robert Copeland /s/ Frank Portanier
 /s/ Kaj E. Kristensen /s/ Arthur Thanash
 /s/ Trev Motlow

ACTION BY THE MEMBERSHIP May 10, 2010. M/S/C—That we concur in the report of the SUP Quarterly Finance Committee and, as per past practice, publish in the *West Coast Sailors*. Carried unanimously.

“The labor movement is people. Our Unions have brought millions of men and women together, made them members one of another, and given them common tools for common goals. Their goals are goals for all America—and their enemies are the enemies for progress. The two cannot be separated.”

President John Fitzgerald Kennedy

MEBA official crosses the bar

Marine Engineers Beneficial Association Executive Vice President Mike Nizetich died in Los Angeles on May 6, at age 48.

Brother Nizetich, a San Pedro native and son of an MEBA tugboat engineer, was a graduate of the MEBA's Calhoun School. After sailing for 16 years, he was elected MEBA Los Angeles Patrolman in 2002 and won a second term three years later. In 2006, he was elected Los Angeles Branch Agent and was appointed Executive Vice President in 2008 following the retirement of Ed MacCormack.

Brother Nizetich was committed to the labor movement and his community. He is survived by his wife and two children.

Final Departures

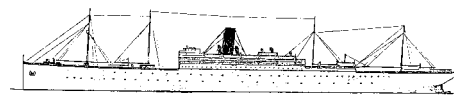
Arthur Bellefleur, Book No. 5436. Born in Michigan in 1924. Joined SUP in 1948. Died in Nevada, April 3, 2010. (Pensioner)

Robert Smart, Book No. 7550. Born in California in 1923. Joined SUP in 1964. Died in the Philippines, April 19, 2010. (Pensioner)

Bernard Deatrick, Book No. 2689. Born in Ohio in 1922. Joined SUP in 1943. Died in Ventura, California, April 20, 2010. (Pensioner)

Robert Hampshire, Book No. 5407. Born in California in 1926. Joined SUP in 1944. Died in Auburn, California, April 24, 2010. (Pensioner)

Harry Bradley, Book No. 5472. Born in Canada in 1919. Joined SUP in 1946. Died in New Orleans, Louisiana, April 15, 2010. (Pensioner)



Engineer guilty of pollution in Texas

An engineer from a bulkcarrier has pleaded guilty in a U.S. court to illegal discharge of polluted wastewater. John Porunnolil Zacharias, Chief Engineer of the *Lowlands Sumida*, a 72,493dwt Panama-flagged vessel owned by Tokyo's Sumitomo, also admitted he had falsified his ship's oil record book.

The Coast Guard has received information from another crewman that Zacharias was violating pollution laws, a court was told in Corpus Christi, Texas. Its inspectors found in October that Zacharias had been using the center fuel tank to store oily wastewater. This was then discharged overboard by tricking the oil content meter on the ship's oil water separator with a "dummy" sounding tube. The tube showed the tank as empty when measured, even though there was liquid inside.

All large commercial ships are required to maintain an oil record book to document ship oil disposal and use oil water separator machines to ensure that water discharged overboard contains no more than 15 parts per million of oil. Zacharias admitted to discharging oily waste exceeding that amount.

SUP Meetings

These are the dates for the regularly scheduled SUP meetings in 2010:

	Hdqs.	Branch
June	14	21
July	12	19
August	9	16
September	13	20
October	Tues. 12	18
November	8	15
December	13	20

West Coast Sailors

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Timely Reminder
Third quarter 2010 dues are due and payable now!

SUP Constitution ARTICLE VI DUES AND INITIATION FEE

Section 1. The initiation fee shall be Eight Hundred Dollars (\$800.00) payable in installments with the sum of One Hundred Dollars (\$100.00) being due and owing upon the members'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.

Obama's executive order on Somalia sparks concern in U.S. and abroad

International shippers and maritime industry insurers are criticizing a recent Obama Administration Executive Order that blocks the property of individuals whose names are on a list of people considered to be "engaged in acts that directly or indirectly threaten the peace, security or stability of Somalia."

Although spokesmen for government agencies have said off the record that the Executive Order is not intended to block all ransom payments to pirates holding seafarers hostage, the maritime Unions, maritime insurers and shipping companies are extremely concerned that the Executive Order could be called into play in future hijacking incidents—with extremely serious consequences.

"The industry cannot live with uncertainty," said MM&P International President Timothy Brown. "You have to know what the rules are. You can't make them up in the pressure cooker of a hostage situation."

In the meantime, insurance underwriters have approached the U.S. government with questions of their own, reports journalist Jim Mulrenan in an article in the April 23 issue of *TradeWinds*. Mulrenan reports that London-based marine insurers are extremely worried about "ambiguities" in the presidential order and "are now seeking clear guidelines from the U.S. authorities about the payment of ransoms to Somali pirates."

The individuals listed in an annex to the Executive Order include three men who are said by some to be pirate commanders. Insurers are also concerned that when a ransom is delivered, the recipient is usually unidentified, which means it would be impossible to figure out whether a particular pirate were covered by the Executive Order or not.

In a parallel development, the International Chamber of Shipping (ICS) and the International Shipping Federation (ISF) have called on governments to enhance existing naval protection against piracy in the Indian Ocean. The ICS and ISF said the order "suggests that those involved in the payment of ransoms to release ships' crews could be subject to criminal sanctions."

Neptune Orient expects return to profit on shipping rebound; APL volumes increase

Neptune Orient Lines, Ltd., the parent company of American President Lines, and owner of Asia's largest container line by fleet size, forecast a return to profit this year as a global economic recovery boosts trade and cargo rates.

The operating environment has improved since the end of last year and "if this trend continues, Neptune Orient expects to return to profitability for the full year," the Singapore-based company said in a statement on May 15. The shipping line and logistics provider had its biggest loss in at least two decades last year.

Neptune Orient posted its smallest loss in six quarters in the period ended April 2 after moving 46% more boxes. Chief Executive Officer Ron Widdows plans to boost capacity this year and return some idled ships to service as easing job concerns fuel demand for Asian-made toys, furniture and auto parts in the U.S. and Europe.

"More shipping lines should return to profit in the second quarter as rates and trade volumes have increased since late last year," said Jay Ryu, a Hong Kong-based analyst at Mirae Asset Securities Co. "The big question now is how much of this growth can be sustained considering a lot of the shipping lines have increased capacity and brought idled ships back into service."

Net loss in the first quarter narrowed to \$98.5 million from \$244.6 million a year earlier, the company said in the statement. That compared with the \$97.9 million loss average of three analyst estimates compiled by Bloomberg. Sales rose 36% to \$2.1 billion.

"The result, while reflecting improvement, still is not satisfactory," Widdows said in the statement. "But the increase in volume and revenue provides a foundation for turning around our performance as the global economy recovers."

The International Monetary Fund last month raised its forecast for 2010 global growth to 4.2%, the fastest pace since 2007. Cargo rates are projected to increase 32.3% in 2010 from a year earlier, according to Drewry Shipping Consults Ltd.

APL Ltd., Neptune Orient's container-shipping unit, moved 701,000 forty-foot equivalent boxes in the quarter, compared with 481,000 a year earlier. Average revenue per container rose 2% to \$2,519 in the period, it said.

Sales at APL rose 39% to \$1.79 billion in the quarter. The unit accounted for 85% of Neptune's total revenue. The company utilized 93% of its fleet in the period, an increase from 80% a year earlier, it said.

Container shipping hopes *continued from page 1*

The stronger euro has contributed to a very weak recovery in U.S. containerized imports from Europe, the Middle East and Africa, with growth of just 2.9% to 2.1 million teu anticipated for 2010 after a contraction of almost 19% last year.

Separately, a new forecast from IHS Global Insight predicts that world shipping trades will grow by 8.5% this year.

Carriers have already begun to respond to a rebound in cargo volumes by increasing capacity, the firm states in its quarterly *Trends in World Economy and Trade* report. Cargo volumes on the Asia-to-Europe routes are expected to rise 8% in 2010. On the Pacific, where eastbound trade from Asia to North America began to recover in the third quarter of 2009, growth of 10% is forecast for 2010 after a contraction of 18% last year. Solid growth is forecast for the westbound trades after two years of decline. The Atlantic remains in the doldrums, however, with eastbound volumes from North America to Europe unlikely to return to 2007 levels until 2013, the report says. Westbound TransAtlantic traffic will not recover to levels seen in 2007 until 2015.

THE SECRETARY OF STATE
WASHINGTON

May 13, 2010

Mr. Gunnar Lundeberg
President
Sailors' Union of the Pacific
450 Harrison Street
San Francisco, California 94105

Dear Mr. Lundeberg:

Thank you for your letter of February 22 concerning the protection of U.S.-flag vessels and crews from piracy. The State Department deeply shares your concern for crew safety, and continues to work closely with our partners and other U.S. government agencies to seek meaningful solutions to piracy off the coast of Somalia. I appreciate the support we have received from the Sailors' Union of the Pacific, as well as other merchant marine organizations and the U.S. shipping industry, in implementing internationally recognized best-management practices for self-protection on board ships with U.S. crews, including guidance from the International Maritime Organization (IMO), industry and labor, and flag states. With your help, the rate of successful pirate attacks has dropped significantly since last year, and no U.S.-flagged vessel has been hijacked.

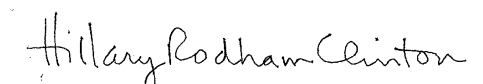
As a part of our ongoing efforts to bring stability to Somalia, the President signed Executive Order 13536 on April 12. This Executive Order is necessary to impose sanctions against designated individuals or entities who threaten peace and stability in Somalia and to track and freeze their assets. The Executive Order prohibits transactions by U.S. persons, or others doing business in the United States, with persons or entities designated in the Executive Order. The U.S. government is deeply concerned about the unprecedented level of piracy off the coast of Somalia, and its impact on commercial shipping, the safety of mariners, and the delivery of critical humanitarian assistance to eastern Africa. The U.S. government believes it is important for the international community to focus on restricting support for designated individuals and entities and their activities as a means of promoting peace and stability in the region. In the event of an actual hostage crisis, the U.S. government can provide crisis management assistance. I encourage you to contact us should you have any questions.

The U.S. government has and will continue to take a number of steps, in conjunction with industry, to combat the growth of piracy off the Horn of Africa. We helped to create, in conjunction with other states, the Contact Group on Piracy off the Coast of Somalia to coordinate the international response to Somali piracy. We have championed the efforts of industry and the IMO to update guidance to governments and industry guidelines on combating piracy to prepare crews and vessels planning to transit known pirate waters. U.S. vessels have led the way in demonstrating that the practices are the most effective possible steps in protecting mariners. We have established Combined Task Force 151 to orchestrate naval patrols in these waters. We have encouraged governments to assign naval and aerial patrol assets to this region, leading to the formation of an unprecedented international counter-piracy coalition including not only our traditional European allies, Canada, and Japan, but also Russia, China, India, Malaysia, and Singapore. With our partners, we have established the Internationally Recognized Transit Corridor (IRTC) through the Gulf of Aden. The IRTC has been a success, with very few successful attacks occurring within its confines.

We will continue to work with our partners within the U.S. government and the Contact Group on Piracy off the Coast of Somalia to seek meaningful change in this vital region. We will not forget our obligation to help you preserve the safety of merchant mariners.

Thank you again for your letter and for sharing your concerns. I look forward to continuing this dialogue on our efforts to end the scourge of piracy.

Sincerely yours,


Hillary Rodham Clinton

[Editor's Note: The letter referred to by Secretary Clinton was published in the February issue of the *West Coast Sailors*.]

Alexander & Baldwin posts 447% increase in earnings

Alexander & Baldwin Inc. ended last year with some recovery, and continued that momentum during the first quarter of this year as its earnings jumped 477%.

The parent of ocean transportation subsidiary Matson Navigation Company posted net income of \$17.3 million, or 42 cents a share, compared with \$3 million, or 7 cents a share, a year ago. Revenue rose 9.4% to \$345 million from \$315.3 million.

Matson's revenue rose 14% to \$229.5 million from a year ago's \$201.1 million, largely due to an increase in container volumes for China shipping services. That gain offset declines in A&B's real estate leasing. Although Hawai'i container volumes decreased by 3%, the company's China business saw a 38% jump. This year, 13,200 containers were shipped, as opposed to 9,600 in last year's first quarter. Despite the drop, Hawai'i container volumes appear to have stabilized near volumes the company saw a year ago.

Matson provided some cushion from declines in real estate leasing revenue, which saw a 15% drop, and operating profit, which fell 24%. Profit were lower due to lower mainland occupancies and rents, as well as the timing of commercial property acquisitions and dispositions. The company sold the Mililani Shopping Center, which had a 99% occupancy rate, for \$50.3 million in January. Around the same time, it purchased a larger Boulder, Colorado, retail center.

American economy halt a million jobs richer thanks to Jones Act

Nearly half a million jobs—499,676 to be exact—enrich the American economy because the Jones Act requires cargo moving between U.S. ports be carried in vessels that are U.S.-owned, U.S.-built, and U.S.-crewed.

MARITIME CABOTAGE



This, and other economic benefits of the law, are highlighted in the just-released Annual Report of Maritime Cabotage Task Force (“MCTF”), the largest coalition ever to promote domestic waterborne commerce. Drawing from a report commissioned by the Transportation Institute and prepared by Pricewaterhouse Coopers, the Annual Report further stresses that the Jones Act generates more than \$100 billion in total economic output, \$11 billion in taxes, \$29 billion in annual wages, and adds \$46 billion per year to the value of U.S. economic output.

MCTF notes that governments around the world have tried to stimulate their economies with legislative efforts. “Fortunately, re-growth in domestic waterborne commerce will create jobs for Americans because the Jones Act, the foundation of U.S. domestic maritime policy, requires that cargo moving between U.S. ports be carried in vessels that are U.S.-owned, U.S.-built, and U.S.-crewed,” states MCTF in its letter from its Board. “Our 2009 Annual Report focuses on the employment that Jones Act shipping creates and sustains ...[and] what our industry means to America’s economic well-being, both now, and in the future.”

Individual sections in the Annual Report highlight the importance of Jones Act shipping in the non-contiguous trades, on the Great Lakes, and on the inland rivers. Other pages stress the importance of the shipbuilding industry, preparing the next generation of American mariners, and the exciting potential for new activities in support of offshore energy development.

The Maritime Cabotage Task Force was founded in 1995 to promote the U.S.-flag fleet engaged in domestic waterborne commerce. With more than 400 members, MCTF is the largest coalition ever assembled to represent the domestic segment of the U.S. Merchant Marine. Nationwide, there are more than 39,000 vessels engaged in Jones Act commerce and they annually move more than one billion tons of cargo and 100 million passengers. The Act has been broadly supported by every Congress and Administration since its passage in 1920 and is considered a key element in the nation’s national defense capabilities.

The SUP is a member of the Maritime Cabotage Task Force.

ILWU urges action to help Costa Rica dockworkers

The International Longshore and Warehouse Union (ILWU) is calling on the U.S. government to take immediate action to stop Costa Rica’s attack on SINTRAJAP, that country’s dockworkers Union.

In a letter to President Obama, ILWU President Robert McEllrath said the Costa Rican government is carrying out a plan to undermine and eventually eliminate the dockworkers Union in order to privatize two of the country’s ports.

In January 2010, the state-owned agency that administers the ports of Costa Rica unilaterally removed the democratically elected leadership of SINTRAJAP and replaced them with a government-backed board of directors.

When the Union’s members refused to allow the sham board of directors, who were backed by police officers, to take control of SINTRAJAP’s office building, the Costa Rican government froze the Union’s bank accounts.

The International Transport Workers’ Federation (ITF) reports that the workers began a strike April 12, at the port in Limon. Police authorities have surrounded the port and workers fear there could be confrontations. Meanwhile, the port authorities have threatened to dismiss all the workers who are supporting the strike, the ITF says.

The ILWU Coast Longshore Division reports that its getting a strong positive response from citizens in Costa Rica and around the United States who are concerned about what action will be taken to help the dockworkers.

Cruise missiles capable of launch from containers developed by Russians

A Russian company is developing a cruise missile system launched from shipping containers.

The Club-K Container Missile System is marketed by Concern Morinformsystem-Agat, which said the weapon stores up to four cruise missiles in a 40-foot (feu) container. When the top of the box is removed, four missiles are ready for launch from a ship, the company demonstrated in a promotional video on its website.

The system might allow commercial ships, to destroy a vessel the size of an aircraft carrier or hit land targets, according to *Defense Weekly* analyst Robert Hewson, who described the product as an “unwelcome” development. “Containerizing a missile in such an overt/covert way, I don’t think anyone has done this before,” he said. “Why does someone want a strategic weapon that can be hidden in a container?”

The system, which is housed in containers that look like any other forty-foot box, will be available for between \$10-20 million, *Reuters* quoted a Russian defense analyst as saying. Iran and Venezuela are already believed to be interested in acquiring the system, *Reuters* added. Club-K uses missiles built by Russian arms manufacturer Novator.

California Wal-Mart workers win settlement over wage violations

Wal-Mart has been under fire for years for its shoddy treatment of its employees. In 2006, California Wal-Mart workers decided they’d had enough, taking the fiercely anti-Union retail giant to court for failing to pay overtime, vacation and other wages. Recently, Wal-Mart ended the lawsuit by agreeing to settle a class action lawsuit and pay up to \$86 million to 232,000 affected employees.

Current and past Wal-Mart employees maintain they were collectively denied over \$12 million in vacation pay and \$74 million in other unpaid wages mandated by California law. While agreeing to settle the multimillion-dollar lawsuit, Wal-Mart still refuses to acknowledge its efforts to cheat workers out of their hard-earned wages. The settlement is separate from the 2008 \$640 million agreement to settle 63 federal and state class-action lawsuits claiming similar illegal wage violations.

This month’s settlement was just the latest in a long line of legal actions taken against Wal-Mart Corporation over workers’ rights and wage violations. Over the years, the corporate giant has routinely wronged its employees and customers, and has chosen to fight any issue in court as opposed to modifying current company practices and policies. According to www.WakeUpWalmart.com, Wal-Mart was involved in at least 73 wage-and-hour violation class action lawsuits in 2009 alone.

In April, a federal appeals court in San Francisco allowed six female employees to pursue a class action sex discrimination lawsuit against Wal-Mart. This lawsuit, claiming systematic discrimination, wage and promotion discrepancies includes over one million female employees and will be the largest sex discrimination case in U.S. history.

From *Reuters*: The original lawsuit, hailed by lawyers as the largest sex discrimination class-action in U.S. history when it was filed in 2001, claimed that Wal-Mart paid female workers less than male colleagues and gave them fewer promotions.

Wal-Mart, the world’s largest retailer

and largest private U.S. employer, had asked the Ninth Circuit Court of Appeals in San Francisco to undo class-action certification in the case that alleged discrimination in its more than 3,000 stores.

“It’s a huge win for the plaintiffs, and a tremendous loss for Wal-Mart,” said Paul Secunda, an associate professor of law at Marquette University Law School. Given the number of employees involved and many years of pay at issue, he said “the amount of liability can be many billions of dollars.”

That lawsuit is pending. Wal-Mart has threatened to take the case all the way to the Supreme Court rather than compensate the affected employees.

Wal-Mart is notorious for paying its employees low wages and offering few benefits. The average wage at Wal-Mart is \$11.75 per hour or \$20,774 per year, nearly 6% below the federal poverty level. Workers who have sought to improve their situations through Unionizing have repeatedly been met with hostility and even store closures to prevent the creation of a Union. Every lawsuit filed against Wal-Mart over workers’ rights violations highlights the sad truth that the company’s executives continue to prioritize profits over the quality of life for the workers who directly contribute to the company’s success.

At a time when their employees are struggling to make ends meet, Wal-Mart profits continue to skyrocket. The company’s stock continues to rise despite the legal trouble. As for the impact the \$86 million settlement will have on Wal-Mart, analysts say it won’t even make a dent in the company’s enormous profits. The settlement of the lawsuit equals roughly two days of after-tax operating profit for Wal-Mart. While the fiscal impact of exploiting their employees then settling lawsuit after lawsuit has yet to be of significant detriment to Wal-Mart, one can only hope that their crumbling reputation will have a much stronger impact on their profits. Perhaps then they will finally start to care.

By California Labor Federation
Communications Intern Rachel Johnson

Democracy triumphs for airline and rail workers

A new rule issued on May 10, by the National Mediation Board (NMB) means airline and rail workers will now be able to choose whether to join a Union under rules that are more fair and more in line with democratic principles.

For decades, the deck has been stacked against workers covered under the Rail Labor Act (RLA) because every worker who did not cast a vote in a representation election was automatically counted as a “No” vote. The new NMB rule says that an election’s outcome will be decided by the majority of votes cast, just like every other election, from city council to the presidency.

Patricia Friend, President of the Flight Attendants-CWA (AFA-CWA), said that flight attendants and other aviation and rail workers “have faced significant obstacles in their quest for collective bargaining rights. Outdated and unreliable voting procedures have fostered a unique culture of voter suppression as companies understand that impeding Union organizing merely requires preventing employees from voting. Employers and their outside Union-busting companies

engaged in the most undemocratic of practices by openly encouraging workers to destroy ballots and to not vote. Those days are now over.”

Janette Rook, AFA-CWA Northwest President, said, “Democracy won today. The over 7,000 Northwest AFA-CWA members look forward to voting in an election where there will be a level playing field. Northwest flight attendants have had Union representation and a legally binding contract for over 60 years and we have worked tirelessly to maintain those rights. Since the recent merger with Delta.”

As the *West Coast Sailors* went to press, the Air-Transport Association and 10 of the group’s members (ABX Air, AirTran, Alaska, ASTAR Air Cargo, Atlas Air, Delta, Evergreen, Federal Express, Hawaiian, JetBlue) filed suite in federal court to block the NMB ruling.

Ed Wytkind, President of the AFL-CIO’s Transportation Trades Department (TDD) called the airlines compliant “baseless” adding the challenge to the new rule is “to retain the old system that was rigged against workers.”

ESU Office Assignments

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

ESU NEWS

MAY 2010

Official Publication of the Exxon Seamen's Union

Foundation for STCW revisions now in place

The International Maritime Organization Subcommittee on Standards of Training and Watchkeeping (STW) has approved draft amendments to the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers (the STCW Convention), and its associated Code. The proposed amendments will be submitted for adoption to a diplomatic conference in Manila on June 21-25, 2010.

There are numerous proposed amendments with important changes to each chapter of the Convention which will most likely affect the ESU membership. Some of the proposed amendments include: mandatory medical fitness standards for seafarers; additional competence requirements for personnel serving on board all types of tankers, including LNG ships; addition of requirements for certification of able seafarers and specifications for approved seagoing service and training required for certification of candidates at support level (unlicensed) in various functions; new requirements for security training, as well as provisions to ensure that seafarers are properly trained to cope if their ship comes under attack by pirates.

The ESU will keep the membership apprised of developments on STCW changes as they become available.

ExxonMobil second quarter dividend

The Board of Directors of Exxon Mobil Corporation declared a cash dividend of 44 cents per share on the Common Stock, payable on June 10, 2010 to shareholders of record of Common Stock at the close of business on May 13. This second quarter dividend compares with 42 cents per share paid in the first quarter of 2010.

Through its dividends, the corporation has shared its success with its shareholders for more than 100 years and has increased its annual dividend payment to shareholders for 28 consecutive years.

SeaRiver Maritime, Inc. offers voluntary separation program to unlicensed employees

As reported last month, SeaRiver Maritime Inc. issued notification on April 15, to the ESU Board via a formal letter that outlined the scope of employee surpluses from the Company's perspective. The letter stated in pertinent parts, "as a result of the removal of two vessels from active service, we have determined that a surplus of unlicensed employees currently exists. Specifically this surplus breaks down as follows: Eight (8) Able Seamen; four (4) Oilers; two (2) Pumpmen; one (1) Fleet Chef; and two (2) Cooks." The letter also stated the Company was prepared to discuss any considerations the Union may have regarding the matter and process.

On April 17, the ESU replied to this letter and requested to meet with Company representatives as outlined under the CBA, Article XI, Section 1, A and B which allows the Company and Union to develop programs in an effort to reduce surplus personnel before the company exercises language under the same Article XI Section 1, C and D (Involuntary Layoff). The Union recognized the concerns of the Company with regard to the current fleet size and manpower needs and appreciates the commitment of the Company to minimize the size and scope of the impact on employees.

The Company agreed to meet with the ESU Board on April 27, at the Nassau Bay Hilton Hotel in Clearlake, Texas, to try and develop a separation program that might help reduce surplus employees as outlined in the Contract under Article XI Section 1B. After a full day of highly motivated and constructive discussions between the ESU Board and the Company managers, SeaRiver agreed that it would be a positive move in the right direction to offer a voluntary separation program with the hopes of minimizing the impact on the ESU membership.

The following letter from Fleet Services Manager Ron Floyd, was sent to all SeaRiver unlicensed employees on April 30:

"Unlicensed Oceangoing Employees SeaRiver Maritime, Inc.:

As a result of the removal from service of the S/R BAYTOWN and the S/R LONG BEACH, the current fleet manpower balances, and future outlook, the Company has determined that a surplus manpower situation and lack of work continues to exist within our unlicensed seagoing employee group. The specific breakdown of this surplus in Principal Ratings is as follows: Eight (8) Able Seamen; four (4) Oilers; two (2) Pumpmen; one (1) Fleet Chef; and two (2) Cooks.

The current collective bargaining agreement contains provisions addressing the process for the selection of surplus personnel, in the event of lack of work. These provisions allow defined surplus personnel in Principal Ratings to select demotion, in lieu of separation from the Company. As such, if all employees in the Principal Ratings elect to demote, then the Maintenance Seaman list would have to be reduced by seventeen (17) positions, resulting in separation of such personnel. The Company and the Exxon Seamen's Union have discussed the effects of the removal of service of the two vessels mentioned above.

The Company has decided to offer, on a non-precedent setting basis, a voluntary separation program to all unlicensed personnel before issuing layoff notices under Article XI of our Agreement. Unlicensed personnel on the payroll as of May 1, are eligible to participate in this program.

Personnel who are willing to participate in this voluntary separation program will be chosen by rating by the Company according to their Company service, and limited to the number of positions (by rating) necessary to address the surplus. Maintenance Seamen who are willing to participate in this voluntary program will be chosen by the Company before and only if, any Maintenance Seaman is subject to involuntary layoff under Article XI of the Agreement.

The Company will notify individuals in Principal Ratings, who have volunteered and been chosen by the Company under this voluntary separation program, on May 28. Maintenance Seamen who volunteer and are chosen by the Company under this voluntary separation program will be notified no later than July 28.

Those individuals chosen by the Company will receive a one time only, non benefit bearing, taxable payment in the following amounts.

Fleet Chef	\$52,000
Cook	\$32,000
Pumpman	\$52,000
Oiler	\$44,000
Able Seaman	\$36,000
Maintenance Seaman	\$20,000

This payment will be in addition to any Company benefits related payments that individuals participating in this voluntary separation program would be eligible to receive as a result of a normal separation and/or retirement.

In order to be eligible for participation in this voluntary separation program, employees **MUST** communicate with me in writing no later than 1600 hours (Central Daylight Time) on May 26, 2010. This initial communication can be by email, facsimile, or conventional mail. It must be followed up by your submission of the completed election form.

We have engaged in very productive discussions with the ESU Board on this matter and hope personnel give serious consideration to this voluntary separation program. In the event there is less subscription than necessary to address the current surplus in Principal Ratings, steps outlined in the collective bargaining agreement regarding involuntary separations will be initiated on May 28, 2010.

If you have any questions on this matter please contact me at (713) 656-2419 or contact the ESU Seabrook Office.

Regards, R.E. Floyd"

As outlined in this letter, if on May 26, there are not enough individuals that take this voluntary separation program, the Company will exercise the Contractual language under Article XI, Section C and D for the remainder of personnel needed to be reduced.

The ESU Board worked diligently and hard in trying to get the best option possible for the membership, but at the end of the day it was all up to the Company to agree and try to do this. If anyone has any questions about this program please feel free to call the ESU office.

Contract Corner

Recently the ESU office has received a few questions from members pertaining to how many times an employee is required to call in for their vessel assignment. Below is the contract language from Article VII, Paragraph A and B on page 24 of the CBA that addresses this issue and the notice for assignment. If you have any questions in regards to this please feel free to call the ESU office.

NOTICE FOR ASSIGNMENT

A. Prior to the end of a sea tour, the Company shall provide the employee with a written advance date of next assignment call in. The Company will also mail, e-mail or talk directly with the employee via telephone to remind such employee of the date, time and place to telephone the Company to receive such assignment. Any unlicensed employee may be required to report for active duty up to four (4) days before completion of the employee's earned paid leave.

B. Insofar as is practical and taking into consideration holidays and weekends, employees shall not be required to telephone for assignment earlier than eight (8) days prior to the scheduled end of paid leave. Any unused paid leave will carry over to the next scheduled paid leave period; **and the employee shall be required to phone the office only one (1) time prior to the end of a paid leave period.**

Splicing Lab



Captain Greg Saupe demonstrates Samson rope splicing to the group during one workshop as part of the Maintenance Skills week long course. This particular type of line is commonly used on board SeaRiver vessels.

ESU News

ExxonMobil 2010 Seminar dates for June through November

(Late Career Pre-Retirement Planning Course)

If you are eligible, or soon to be eligible to retire from the Company, you should consider attending a pre-retirement planning seminar that is offered by ExxonMobil. Scheduling is prioritized by age and/or definite retirement plans. Spouses are invited to participate in this class. You should attend this course a few years prior to retirement in order to better plan for your final years as an employee. This course covers the many options that one needs to consider when retiring from the Company. Listed below are the dates through June, 2010 for Pre-Retirement (Late Career) sessions. The classes tend to fill up quickly; some may be filled up by the time we go to print. If anyone is interested in attending and know the session they wish to attend, you should then notify Helen Wright at 713-656-2786 for enrollment. Limited space is available per each class so plan ahead if you are interested.

Dates	Locations	Dates	Locations
June 8-9	Beaumont, TX	25-26	Houston, TX
8-9	Torrance, CA	September 1-2	Houston, TX
9-10	Houston, TX	8-9	Joliet, IL
15-16	Fairfax, VA	15-16	Houston, TX
29-30	Houston, TX	21-22	Torrance, CA
July 5-6	Fairfax, VA	21-22	Clinton Facility
13-14	Torrance, CA	22-23	Baton Rouge, LA
20-21	Beaumont, TX	28-29	Houston, TX
27-28	Clinton Facility	October 5-6	Houston, TX
August 2-3	Fairfax, VA	26-27	Houston, TX
9-10	Baton Rouge, LA	November 3-4	Houston, TX
10-11	Beaumont, TX	16-17	Houston, TX
18-19	Baytown, TX	17-18	Clinton Facility

Waiting for the Reliefs



Onboard the *SR American Progress*, left to right ESU members QMED Roberto Dixon and Jonathan Blackwell are all smiles as they wait for their reliefs.

Ship reports

S/R American Progress

The vessel was visited by the ESU Board on May 6, at the BP Dock in Cherry Point, WA. AB Stephen Bowles filling in as Temporary Ship Representative and reports no problems. The vessel is currently in route to Valdez, AK, for one more load to discharge in the Puget Sound area and after that the plan is uncertain whether the vessel will make another trip north or go ahead with tank cleaning operations for the upcoming shipyard.

S/R Baytown

The *Baytown* continues in cold lay-up, in Labuan, Malaysia. Ship Rep Joe Bernavich reports no problems. There are no crewmembers assigned to the vessel at this time. Future plans for the vessel are unknown at the present time.

Kodiak

ESU Board Officer visited the vessel on May 11, at Anchorage 9 in San Francisco, CA. The vessel continues normal trade between Valdez and the West Coast. AB Greg Raredon is filling as

Temporary Ship Representative and reports all is well.

S/R Long Beach

The *Long Beach* continues in cold lay-up, in Labuan, Malaysia. Ship Representative Wayne Dymont reports everything is running smoothly. There are no crewmembers assigned to the vessel at this time. Future plans for the vessel are unknown at the present time.

Sierra

ESU Board visited the vessel on May 12, at Chevron Long Wharf in Richmond, CA. The ship was heading up to Benicia after a partial discharge at RLW. AB Jay Berry took over from Cook, Joel Mitchell as Temporary Ship Representative and reporting all is well.

S/R Wilmington

Board officer visited the vessel in Beaumont, TX, on May 14. Vessel continues the MOGAS run between Beaumont, TX and FL. AB Joe Bernavich filling in as Temporary Ship Rep. and reporting everything running smoothly.

Large group attends Maintenance Skills class



Above is the first group that attended the new Maintenance Skills Training held in Vallejo, California during the week of April 19. Left to right back row: AB Peter Flaherty, AB Thor Floreen, 1st Engineer Jay Norman, PM Don Koczon, AB Robin Robinson (tree), MS Cory Conroy (hiding), QMED Eric Bush, AB Kevin Conroy, Captain Greg Saupe, QMED Ditmar Valle and AB Michael Harrison. Left to right middle row: MS Ein Cooley, MS John Sailing, AB Pat Campbell, QMED Phillip Francia, MS Marlon Quidilig, AB Domingos Dalomba, MS Shannon Wegner and AB Walfredo Domapias. Left to right sitting: AB Joseph Buffington, AB Rex Jett, AB Larry Harris, AB Michael Gore and kneeling AB Frank O'Malia

Final Departure: ESU Retiree Hal Eugene Fitch

Sadly, the ESU has learned of the passing of former member Hal Eugene Fitch, 56, of Bella Vista, AR, formerly of Douglas, WY. Hal died at Circle of Life Hospice in Springdale, AZ on April 5, 2010. He was born in Kearney, NE, on April 18, 1953, to Harold E. and Tibbie Dewey Fitch. He graduated from Lincoln High School in Sioux Falls, SD, in 1971. In 1972, he married Carole Lanette Kobernusz who preceded him in death in 2003. In 2004, he married Sandra Kueck Humphrey in Douglas. The following year, they moved to Bella Vista.

Hal retired from SeaRiver Maritime on November of 2004 as a Pumpman after 25 years after transferring from the mine division of Exxon Corporation in June of 1990. He was an active member of the ESU, always willing to fill in as the Temporary Ship Representative when needed. He was also very active with the First United Methodist Church in Douglas and Bella Vista, where he played and sang in the praise bands. He will be remembered

for his beautiful baritone voice and love of music, his dedication to his shipmates, community service, his loyal friendship and his love for his family.

He was preceded in death by his first wife, Carole, and an older brother, Don D. Fitch. He is survived by wife Sandra, his parents, Harold and Tibbie Fitch, sister Jean (John) Justice all of Bella Vista; sister Kim (Paul) Budd of Sugar Creek, MO; brother Van Fitch of Eveleth, MN; daughter Nikki Fitch and granddaughter Alex of Douglas; son Eric (Filomena) Fitch and grandchildren Madison, Courtney and Kyle of Arlington, MA; stepsons John Humphrey of Denver, and Gram (April) Humphrey and grandsons Russell and Trenton of Douglas; brother-in-law Dennis (Marilyn) Kobernusz of Spencer, SD; numerous aunts, uncles, nieces and nephews. The Exxon Seamen's Union wishes to express our deepest sympathy to the Fitch family.

ExxonMobil Group Universal Life insurance premiums reinstated

Group Universal Life Insurance premiums were suspended beginning with the January 2010 pay periods due to favorable claims experience. Premiums for participants will be reinstated beginning with July 2010 pay periods. The premium rate for 2010 will be the same as the 2009 rates.

The ExxonMobil Life Insurance Plan provides benefits in the event of your death and for certain accident-related injuries. You make no contributions for Basic Life Coverage and Basic Accidental Death and Dismemberment Insurance. Active employees may participate in Group Universal Life Insurance and Voluntary Accidental Death and Dis-

memberment Insurance by enrolling and making contributions.

The premium rate for 2010 will be the same as the 2009 rates as follows:

Age	Rate*
Under 30	\$0.02
30-34	\$0.03
35-39	\$0.05
40-44	\$0.06
45-49	\$0.09
50-54	\$0.15
55-59	\$0.38
60-64	\$0.58
65-69	\$1.10
70 +	\$1.78

*Per \$1,000 of coverage per month

EXXON SEAMEN'S UNION

Founded March 28, 1941

Affiliated with the Sailors' Union of the Pacific

913-A Hardesty Avenue, Seabrook, TX 77586

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President/Secretary John Straley

Vice President/Treasurer Leo DeCastro

Board Member at Large Frank O'Malia

Board Member at Large John McCarthy

Deck Trustee Pat Campbell

Engine Trustee William Ackley

Steward Trustee Kurt Kreick

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, 2009. 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 \$427,754 as July 31, 2009, compared to \$327,255 as of August 1, 2008. During the plan year the plan experienced an increase in its net assets of \$100,499. This increase 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 \$7,665,460, which included employer contributions of \$7,616,468, realized losses of \$4,571 from the sale of assets, and earnings from investments of \$53,563.

Plan expenses were \$7,564,961. These expenses included \$434,385 in administrative expenses and \$7,130,576 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 \$4.25 for the full annual report, or \$0.25 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, D.C., 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, Room N1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.

Inflation rose in April at lowest rate since the '60s

National consumer prices fell in April for the first time since early last year, and inflation rose at its slowest rate since the 1960s, a new government report said.

Consumer prices over all fell in April by 0.1%, the Labor Department said in its monthly report issued on May 19, decline was the first since March 2009. Prices rose by 0.1% in March 2010.

The downturn was led by a decline in energy prices, especially for gasoline and

natural gas, the report said. Energy prices fell by 1.4% in April, the department said. Food prices rose 0.2%, mostly because of higher costs for meat, poultry, fish and eggs. But without the volatile prices for food and energy, the core index for consumer prices remained flat, as they did in March. Over the 12-month period that ended in April, the core index rose 0.9%, which economists said was the lowest it has been since the 1960s.

Editor's Note: To receive the *West Coast Sailors* via first-class mail it's \$25 per year U.S. mail; \$40 per year international.

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450 Harrison Street
San Francisco CA 94105

Welfare Notes

May 2010

Medicare Part B Reimbursement for Pensioners

The cost of the Medicare Part B premiums for members and spouses is reimbursed on pensioners' monthly benefit checks from the SIU Pacific District Pension Plan.

Active Coverage

Active members become eligible for coverage in the month after they complete 120 mandays within a 12-month period. Once a member becomes eligible, the member must enroll in a plan for coverage. The medical and dental plan choices are dependent upon your residence or the port from which you ship.

In order to continue eligibility, 60 mandays must be worked within the eligibility period. The new rolling eligibility period starts in the month following the 60th day worked.

If you are Unfit for Duty, your eligibility for coverage may be extended; however, you must inform the Plan office of your Unfit for Duty status with documentation from your attending physician. Periodic updates of your status must be submitted if your disability continues.

Please check with the Plan office if you have any concerns about your eligibility. If your eligibility terminates, you must work 120 mandays within a 12 month period to become eligible again. Once you regain your eligibility, you must also enroll in a plan to be covered.

Medical and dental copayments for members as patients can be submitted to the SUP Welfare Plan for reimbursement. Copayments for dependents are not reimbursable.

Active Members are also eligible for a vision exam and one pair of eyeglasses (lenses and frames) once in a 24 month period. The maximum payable is \$200.00.

Active members are also eligible for a \$25,000.00 Death Benefit. Please contact the Plan office to make sure you are properly enrolled for all the benefits available to you.

Michelle Chang, Administrator mcsupsiupd@sbcglobal.net

Patty Martin martinpatty59@sbcglobal.net

Virginia Briggs Claims vbriggs80@sbcglobal.net

Michael Jacyna Eligibility mjacyna67@sbcglobal.net

Training Representative Berit Eriksson 415-957-1816
berittrainrep@sbcglobal.net

SUP Welfare Plan Phone Numbers: 415-778-5490 or 1-800-796-8003

Fax: 415-778-5495

SIU-PD Pension Plan: 415-764-4987

SIU-PD Supplemental Benefits Fund: 415-764-4991

Cargo volumes increase in L.A./Long Beach

Long Beach and Los Angeles both reported double-digit surges in total unitized volumes for April, extending a five-month run of gains at the nation's top two box hubs.

Although laden import and export container traffic increased significantly at both ports in April, the healthy rise in empties, for possible reloading in Asia back to the United States, may signal economic recovery in the TransPacific trades.

Long Beach recorded an 18.7% increase to 485,059 teu last month, while Los Angeles saw April volumes rise 11.9% to 595,283 teu. Imports at Long Beach were up 21.2% to 241,245 teu, "pointing to a robust recovery in the domestic retail sector," said a spokesperson for the port, while exports rose 15.2% to 130,155 teu. Between January and April, Long Beach moved 1.8 million teu, up 16.6% over the same period last year.

Empty containers for April at Long Beach were up 17.6% to 113,659 teu, mostly bound for China and other Asian destinations for reloading. It was a similar story at Los Angeles, where the empties rose 20.2% to 134,721 teu. Port of Long Beach spokesman Art Wong told Bloomberg the increases may mean Chinese factories "are ramping up to send things back to us," adding that it "suggests retailers are expecting consumers to head to the malls this summer."

But Drewry Shipping Consultants' port analyst Neil Davidson urged caution

about drawing conclusions from the empties numbers. "Yes, it could mean that Chinese exporters are ramping up. I note, though, that the port does rightly only say that this may be the reason—in other words, it recognizes that it is not unequivocal." Davidson added: "The fact is that, sooner or later, empty boxes in the United States have to find their way back to Asia. It could be that the current surge is because the cost of holding them in the United States has become too high, or the cost of shipping them is particularly favorable right now, or because there is space in Chinese ports for them. Remember that last year a lot of Chinese ports cut their prices for handling empties in a bid to offset falling volumes, and ended up quite full of empties. So, yes, this could be the sign of something positive, but equally there could be several other reasons for it."

At Los Angeles, imports rose 8.3% to 302,225 teu from the same month a year earlier. Exports from Los Angeles were up even more sharply, rising 12.4% to 158,338 teu. In the first four months of the year, Los Angeles moved more than 2.2 million teu, a 9% improvement over the same period in 2009. A Port of Los Angeles spokesman told Bloomberg: "The bigger picture is that we were down 26% over the previous two years, and now we have about 9% of it back. But it is encouraging. We are hoping we will stay on the right track."

On the Suez Express run



Delegate Rhonda Benoit and Bosun Bill Wood breaking for coffee, at sea, in the *President Jackson*. Good trip! The *Jackson* is one of seven APL vessels crewed on deck by the SUP operating off the East Coast on the Suez Express Service.

Labor department outlines plan to curb violations of employment law

In a move that will affect most American corporations, the Labor Department plans to require companies to prepare and adopt compliance plans aimed at ensuring they do not violate wage, job safety and equal employment laws.

The effort, aimed in part at reducing the incidence of employers not paying overtime and improperly classifying workers as independent contractors, will require them to document many of their decisions and share that information with their workers and the government.

In announcing the department's intentions on April 29, Deputy Labor Secretary Seth Harris said his department wanted to foster a culture of compliance among employers to replace what he described as a "catch me if you can" system in which too many companies violated employment laws.

Harris said many specifics of what companies would be required to do had yet to be worked out. The department's proposed rules are still being drafted, and businesses will have a chance to respond before any final rules are issued. The process is likely to take more than a year.

Harris said that while many companies had a culture of compliance, too many others flouted wage and safety laws after weighing the costs of compliance against the benefits of breaking the law and the risks of getting caught.

"They are playing a dangerous game of catch me if you can, and they are putting workers' rights, even their lives, at risk," Harris said in an appearance at the Center for American Progress, a liberal research group in Washington.

Department officials say they hope the plan will greatly reduce problems in industries with widespread wage violations, like restaurants and discount retailing, and those with widespread safety violations, like coal mining and construction.

"Employers will have to put together a plan that is designed to avoid violations of workplace laws," he said. "In safety and health, they will have to prepare a plan that will avoid safety hazard in the workplace. They will have to implement the plan, and they will have to make sure the plan, as implemented, is effective in avoiding violations for risks and hazards to workers."

Harris said the limited number of Labor Department inspectors—a few thousand—makes it hard to protect the nation's 140 million workers at nine million workplaces. "We cannot abide an economic calculus that exploits the fact that the Labor Department cannot and should not look over every shoulder," he said.

Giving one example, Harris said companies that classify workers as independent contractors—often to avoid paying Social Security taxes and circumvent wage laws—would have to prepare a written explanation of why those workers should be considered contractors rather than employees. Companies would then have to give these workers the explanation.

Cynthia L. Estlund, an employment law professor at New York University, praised the department's plan because "it is important to activate internal corporate efforts for compliance."

But Professor Estlund said violations would no doubt continue. "There are no magic bullets," she said. "It's still possible to engage in what some people call cosmetic compliance."

United States and others attack European Union over classification society legislation

Flag states representing more than half of the world's tonnage are attempting to force the European Commission to downgrade the ambitions of its classification society legislation. Governments including the United States, China, Japan, Panama and Liberia say the European Union (EU) classification society regulation "impinges on their sovereignty" by introducing the principle of mutual recognition of marine equipment certificates. The regulation will also jeopardize ship safety, the governments claim.

Mutual recognition is designed to cut costs by up to \$1.3 billion by removing the need to recertify the same equipment on different ships. Classification societies, which today enjoy lucrative recertification business, are set to be the main losers. Safety fears raised by the classification industry were brushed aside before EU approval of the legislation last year, after which the EU-approved societies, known as recognized organizations or ROs, were given five years to recognize each other's certificates. But no sooner had the EU debate ended than opposition to mutual recognition sprang up outside the bloc. The law is extra-territorial in that it applies to ships built in non-EU yards.

"We now come together, the Commonwealth of the Bahamas, People's Republic of China, Japan, Republic of Liberia, Republic of the Marshall Islands, Republic of Panama, Republic of Singapore, Republic of Korea and the United States of America, representing 57% of world tonnage, to present our concerns over Article 10 to the European Commission," the group of nations said in a letter sent to the EU. Article 10 of the European Union law refers to mutual recognition. The letter continues: "Acceptance of certificates issued by an EU RO, including one that is not recognized by the ship's administration, impinges on the sovereignty of the ship's flag state." The EU regulation, it is claimed, "empowers the EU, and not the ship's flag state" to determine whether safety concerns are justified. The protesting states say the law "could degrade the quality of EU RO certificates, which could have a much broader impact on reducing ship safety". Article 10 "could be implemented in such a way as to pressure ROs to compromise safety standards in the interest of achieving harmonization". There were also complaints the law restricted freedom of choice "as it prevents shipowners and shipbuilders from selecting equipment for installation on their ships as they see fit."

Delivered shortly before the change in European Commission mandate earlier this year, the letter contained an ominous warning of "restrictions" on ROs if the EU persisted in its extra-territorial interpretation of the regulation.

The European Commission's only comment was that it was preparing a reply to the flag states' concerns. But a well placed industry source said class societies were "abusing their home states" by urging them to lobby the EU against measures "which limit their income."

Government calls for a review of cruise industry security

The United States has called for a study to examine the need for automated passenger reservation data in order to ensure cruise industry security. Customs and Border Protection (CBP) currently screens passenger manifest data, but a report by the Government Accountability Office (GAO) asks whether "additional actions should be taken to augment security through enhanced screening of cruiseship passengers". It recommended that the CBP conduct a study "to determine whether requiring cruise lines to provide automated Passenger Name Record data to CBP on a systematic basis would benefit homeland security, and if found to be of substantial benefit, determine the appropriate mechanism to issue this requirement." "The scope of the study should include potential benefits to security, any need for additional authority and international agreements, resource implications for CBP and the cruise industry, privacy concerns, and any implementation issues related to the automated transfer of Passenger Name Record data from the cruise lines to CBP."

The GAO, in its report to the House Committee on Homeland Security, acknowledged the wide-ranging progress made by the cruise industry but also voiced "some concerns". According to the latest government statistics, over 9.3 million passengers departed a U.S. port on North American cruises in 2008, travelling on 3,900 cruises from 30 ports.

The GAO found the U.S. Coast Guard considers cruiseships to remain "highly attractive targets" to terrorists because of their "high-prestige symbolic" value. The GAO said: "A successful attack on a cruiseship in or near US waters that resulted in the closure of a US port or discouraged cruise travel would likely harm the US economy because of the significant economic impact that ports contribute to the US economy."

Although the potential for an attack remains, an assessment in January this year by intelligence officials at the National Maritime Intelligence Center stated there has been no credible terrorist threat against cruiseships identified "in at least the preceding 12 months". However, the GAO report stated: "Despite the lack of evidence identifying recent threats, maritime intelligence officials identified the presence of terrorist groups that have the capability to attack a cruiseship, even though they have not identified any intent." One of the "greatest risks" is a direct attack against cruise vessels using waterborne improvised explosive devices, a tactic that has been used in the past against other vessel types.

In direct reference to the piracy scourge currently affecting the Horn of Africa, the report states: "Waterside attacks can also occur while a cruiseship is in transit, such as when pirates in the Gulf of Aden and western Indian Ocean attacked cruiseships. The report said: "For example, at least three cruiseships have been attacked by pirates on small boats while armed with automatic weapons and rocket propelled grenades. "However, the three vessels were able to evade the pirates by either maneuvering or fighting back."

SUP Branch Reports

Seattle

April 19, 2010

Shipped during the period: 3 Boat-swains jobs shipped to 2 A members and 1 C member; 14 Able Seaman jobs shipped and filled with 1 A, 2 B, 5 C and 4 D registrants; 6 of these jobs were to LMSR berths; and 1 Stewards Utility and 3 Standbys filled with 2 A's, 1 B and 1 D registrant.

Registered during the period: 9 A cards for a total of 25; 5 B cards for a total of 23; 4 C cards for a total of 17.

Ships Checked

Matson vessels *Manoa* and *Kauai* called twice in Seattle with little or no problems and the *Moku Pahu* called the gang back to the shipyard in Nantong, China. The *President Polk* and the *APL Agate* called in New York and we relieved sailors in both vessels. Robert Jones was the serang in the *Polk* and reported some minor clarifications but all was well aboard this ship. The *USNS Gilliland* and *Gordon* crewed up for a two-week run to Florida, and Chevron called the hall for three Able-Seamen and a ship utility.

I represented the SUP at the following meetings: the Alaska Way Viaduct Replacement Committee meeting; the "Jobs Now" rally sponsored by the King County Building Trades; the Propeller Club meeting with Maritime Administration Northwest Director Randy Rogers; the Puget Sound Harbor Safety Committee; a meeting with Alaska U.S. Senator Mark Begich; and the King County Labor Council Executive Board meetings.

A meeting was convened by the King County Labor Council with the Inlandboatmen's Union, ILWU Locals 19 and 52; IBEW Local 46 and Shipyard Laborers Local 252 and Washington State Brotherhood of Teamsters Joint Council President John Williams. The gist of this meeting was the Teamsters move to amend the Federal Aviation Administration Authorization Act, also known as F4A, to allow local municipalities to legislate their own environmental standards on local port authorities. The Teamsters are concerned that some of us are strongly opposed to this move and wanted to put their position forward. We listened to what they had to say and then countered with our own concerns. We firmly believe the Maritime Trades and the Metal Trades (shipyards and waterborne construction) will be negatively and financially impacted and this move would cause chaos in our nations ports. Alliances of well meaning environmentalists and charlatan real estate speculators would legislate our industry out of existence; or certainly to Canada and Mexico.

The SUP participated in meetings with the Manufacturing Industrial Council, the Seattle Department of Transportation and Washington State Department of Transportation regarding the closure of the South Park Bridge, a major freight mobility issue for the Seattle docks. The SUP, along with the Inlandboatmen's Union also participated in meetings with Seattle maritime industry business leaders, the Port of Seattle and the Coast Guard trying to accommodate the City of Seattle's request to limit openings of the Lower Spokane Street Swing Bridge.

MFOW President Anthony Poplawski

joined his membership in their Seattle Branch meeting this month to assist in consolidating business operations for both Unions. Until shipping improves in the Northwest both the Sailors' Union and Marine Fireman's Union business will be conducted out of one office by one Agent. This is a cost saving move that benefits both Unions and President's Poplawski, Lundeborg and MFU Agent Mike Carr should be commended in making this move. It should be noted that there is no wage or benefit increase to the SUP Seattle Agent but the combining and sharing of expenses allows both the MFOW and the SUP to continue to operate out of the Pacific Northwest.

Vince O'Halloran, Branch Agent

cruise on a sailing ship is being organized for local underprivileged children.

On April 19, Michelle Chang, Welfare Plan Administrator, Berit Eriksson, Training Representative, & Todd Smithpeter from The Standard spent the day and were well received.

I took some time with my son and went to the Merchant Marine Museum and the *Lane Victory*. Both were impressive and recommend anyone in the area to take time out and see them. Price is right.

Kaj Kristensen was on one of his retirement road trips and took a little time out to stop by and say hello. A couple of hours of sea stories were a great way to start the day.

Vern Johansen, Branch Agent

Wilmington

April 19, 2010

Shipped a total of 73 jobs—the breakdown is as follows: 3 Bosun, 1 Steady, 2 Return; 9 AB/Dayman, 6 Steady, 3 Return; 10 AB/Watch, 6 Steady, 2 Returns, 2 Reliefs; 3 STOS, 2 Steady, 1 Return; and 48 standbys.

Registered during the period: Class A 32; Class B 18; Class C 14.

Ships Checked

Manulani, Maunalei, Maunawili, Mokihana, Mahimahi, Manukai, R.J. Pfeiffer, Philippines, Thailand, & Singapore. No problems.

Attended and represented the SUP at the following meetings: the Labor Day Parade Coalition where committees were established for overseeing all the activities; the National Maritime Day Committee. National Maritime Day will be on Saturday, May 22, with a memorial service at the Merchant Marine Memorial in San Pedro. A luncheon will follow at the Ports of Call Restaurant; and the Maritime Trades Port Council. A

Honolulu

April 19, 2010

Shipped the following jobs during the month of March: 1 Bosun job steady, 3 AB Day steady, 2 AB Watch steady, 1 AB Day return, 2AB Watch return, 1 AB Maintenance steady, (Paint & Rigging Gang) and 19 standbys.

The regular jobs were filled by 4 A cards and 6 B cards and the standby jobs were filled with 4 A cards and 15 B, C, and D cards.

Registered in March: 5 A cards; 10 B card; 1 C cards; and 2 D cards. To date total registered are: 8 A cards; 10 B cards; 5 C cards; and 2 D cards.

Ships Checked

Manukai, Maunawili, R.J. Pfeiffer, Mokihana, Manoa, Maunalei, Mahimahi, Manulani, and Kauai. All with few or no beefs. Paint and Rigging gang running smoothly with Monte Kalama as Bosun.

On March 17, attended the Hawai'i Ports Maritime Council meeting. Even on St. Patrick's Day we had a good turnout, eight members present, myself included.

Vice President's Report

May 2010

USNS Waters: Scott Weideman, delegate. Mission off the Bahamas completed. Shore leave in St. Thomas. Clarifications on tour of duty, relief procedures and return rights. Headed back to Florida and the shipyard in June.

USNS Gordon: Dave Hoffman, delegate. Reliefs in late May. Clean ship.

USNS Gilliland: Brian McCarthy, delegate. Clarification on overtime accounting.

USNS Shughart: Jason Morris, delegate. Breakout for oil spill response still rumor.

USNS Yano: Jack Forde, delegate. Big fun on the bayou.

APL Agate: Quentin Brown, delegate. Engine repairs in Oman. Restriction not payable as ship had not cleared customs. Boarding on arrival in New York.

APL Japan: Kris Skorodynski, delegate. Calls from the delegate on lodging for faulty air conditioning. As with the other re-flags, this ship requires a lot of effort to maintain equipment. Pierhead jump in Norfolk: ship sailed with a full crew.

APL Turquoise: Edwin Pastolero, delegate. Clarification on delayed sailing.

APL Singapore: Eduardo Sandro, delegate. Problems with stateroom arm-

chairs and messroom reefer brought to the attention of the Company.

Oregon Voyager: Earl Eastmark, delegate. Boarded this newest ship in the Chevron fleet on arrival at first West Coast port call: Richmond. The ship smartness was evident from the first step on deck. Crew deserves congratulations for monumental task of clean up and retrofitting in the yard in Mobile. Captain Dan Whyte commended the crew and promised vigorous pursuit of the graywater venting problem.

California Voyager: David Ibarra, delegate. Company introduced pilot project for overtime and OPA hours accounting system which is on hold while under investigation. The delegate records the overtime in these ships in accordance with the contract.

Mokihana: Phil Howell, delegate. In at Oakland with no problems.

Foss Maritime Company: JD Rymel, delegate. Flex Tankerman OT days count against the guarantee as per Section 32.02. Boat assignment relies on seniority and qualifications.

San Francisco Bar Pilots: Mike Koller and Terry O'Neill, delegates. Attended hearing on "no-go" areas: useful chart created as part of the investigation surrounding recent incident.

Dave Connolly

I also represented the SUP at two meetings with Neil Abercrombie's campaign managers. We discussed various ways that labor can help with his election.

Reminded everyone to be sure and register to vote and then to make sure that they do vote.

I also reminded all members to keep their papers up to date. All paper work will be checked at all job calls. Here's a list of what I check when I dispatch a job: 1) Membership book with your dues up to date; 2) Shipping card; 3) Merchant Mariners Credential (Z-Card); 4) TWIC Card; 5) Annual Physical Card; 6) Drug Card; 7) Passport; 8) STCW Certificate; 9) Basic Safety Training Certificate (BST) or one year of discharges within the last five years.

Also for a steady job at the Paint & Rigging gang you will need to show 90 days of discharges within the past 12 calendar months. Mahalo,

Michael Dirksen, Branch Agent

San Francisco Business Agent

May 10, 2010

Visited and paid off the following ships:

Kauai—Jesper Pfeil, delegate: Meeting was held in the captain's office with the Port Steward Jim Mann, and SIU Vice President Nick Marrone about the Chief Steward. Much discussion about her performance as a Steward. The Steward finally decided it was best to quit.

Mahimahi—Isnin Idris, delegate: Steve Crute, bosun: Clarification on sailors work; running smoothly.

Manoa—Duke Maringer, delegate: John Kerlin, bosun: Running smoothly.

Mokihana—Phil Howell, delegate: No disputes, good gang.

Cape Jacob—Asad Al Rasulullah, bosun: Reported that the ship is running smoothly; no beefs.

Washington Voyager—Jennifer Corner, delegate; John Svane, bosun: In at the Long Wharf; running smoothly.

Worked in the front office.

Bill Berger

Dispatcher's Report

Headquarters—April 2010

Deck	
Bosun	2
Carpenter	0
MM	5
AB	15
OS	8
Standby	10
Total Deck Jobs Shipped	40
Total Deck B, C, D Shipped	17
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. ...	40
Total B, C, D Shipped-All Depts. ...	17
Total Registered "A"	39
Total Registered "B"	13
Total Registered "C"	13
Total Registered "D"	24



SUP President's Report

May 10, 2010

MATSON NAVIGATION COMPANY

Recently the Union obtained a memo dated April 20 from Jack Sullivan, Matson's Vice President for Vessel Operations and Labor Relations to Ron Forest the company's Senior Vice President for Vessel Operations regarding new vessel construction.

According to the memo, the company has solicited designs from NASSCO shipyard in San Diego and Aker Philadelphia Shipyard and has requested input from two classification societies: the American Bureau of Shipping (ABS) and Germanischer Lloyd. The move is prompted by the company's belief, with the assistance of outside consultants, that its steamships would probably not be permitted by the Environmental Protection Agency to operate in United States waters when the 200-mile Emissions Control Area is implemented on September 1, 2011.

Upon receipt of the memo, contacted Captain Sullivan and requested a meeting which will occur the third week of this month. Will keep the membership fully informed.

In other Matson news, on April 30, the Union was notified by the company that it had an opportunity to employ the *Lihue* for one 30-day voyage to haul 200 containers of ammunition from Japan to Concord, California. As the membership will recall (see the April and September 2009 *West Coast Sailors*), it was agreed that the wage, overtime and benefit rates applicable to the *Moku Pahu* would be used as it was when the *Kauai* carried military cargo from Honolulu to Mumbai, India, in September 2009.

For the potential charter of the *Lihue*, the company requested and your secretary agreed to a similar agreement, pending membership approval.

However, on May 6, the Department of Defense issued the charter to the *m/v Harriette*, owned by Sealift, Inc. Ironically, Matson considered buying the *Harriette* (then the *Overseas Harriette*) in 2006, but dropped the idea after failing to reach agreement with the licensed Unions.

GOVERNMENT VESSELS

As reported last month, Patriot Contract Services notified the SUP and MFOW that Kwajalein Range Services (KRS) sent the company a proposal for a new crewing services contract for the *USAV Worthy* plus the *USAV Double Eagle*, *USAV Mystic*, *USAV Great Bridge* and any other vessels assigned to KRS for the U.S. Army Kwajalein Atoll/Reagan Test Site. The Unions have held discussions on the solicitation with Patriot and have submitted a wage and benefit rate proposal.

The crewing services agreement, if accepted by KRS, was scheduled to begin on May 1, but as of today's meeting, the Unions have not received a response from Patriot and Patriot has not heard from KRS.

In March, reported that Matson and Patriot are both bidding to operate and maintain 11 Maritime Prepositioning Force (MPF) vessels for the Military Sealift Command (MSC). The vessels are the *USNS Martin*, *USNS Stockham*, *USNS Wheat*, *USNS Bobo*, *USNS Button*, *USNS Lopez*, *USNS Lummus*, *USNS Williams*, *USNS Kocak*, *USNS Obregon* and *USNS Pless*. According to MSC, it is anticipated that these vessels may be awarded to operators some time this month.

On April 9, the MSC issued a solicitation of the operation and maintenance of the T-5 tanker *USNS Lawrence H. Gianella*. The *Gianella* is one of five government-owned tankers and is part of the 32-vessel Maritime Prepositioning Force fleet.

Patriot intends to bid for this vessel with offers due on May 21. Discussions have been ongoing between the SUP, MFOW, SIU-Marine Cooks and the company to formulate a competitive bid. The contract for the *Gianella* is expected to begin on April 1, 2011 and to end on September 30, 2011, with four, one-year option periods.

As reported in March, the Maritime Administration (MarAd) issued a Request for Proposal (RFP) for the operation and maintenance of 11 National Defense Reserve Fleet (NDRF) and Ready Reserve Force (RRF) vessels. The vessels were the *Agol*, *Altair*, *Bellatrix*, *Capella*, *Denebola*, *Pollux*, *Regulas*, *Pacific Collector*, *Pacific Tracker* and the *Cape Jacob*.

On April 23, MarAd issued an amendment to the EFP extending the date for bids to be to June 1. The amendment also, unfortunately, removed the *Cape Jacob* from the solicitation. According to the Military Sealift Command, the *Jacob* (the former States Line vessel *California*) will be laid up some time next year. As with other government vessels mentioned, the SUP, MFOW, SIU-Marine Cooks are in discussions with Matson and Patriot to formulate a competitive bid.

MILITARY SEALIFT COMMAND

At the invitation of Rear Admiral Robert Wray, Jr., Deputy Commander of the Military Sealift Command, attended an "executive session" between senior MSC leadership and maritime labor on April 20, at MSC Headquarters at the Washington Navy Yard.

MSC was represented by Rear Admiral Mark Busby, Commander of MSC; Rear Admiral Wray; Executive Director Rick Haynes; Chief Counsel Gary Rensing; Maritime Forces and Manpower Director Mike Morris; Eileen Robertson, Director for Naval Fleet Auxiliary Force & Special Mission Ships; Special Projects Negotiator Renee Desosiers and approximately 15 senior support staff. Labor attendees were AMO President Tom Bethel, Masters, Mates & Pilots International Secretary-Treasurer Don Marcus; MEBA President Don Keefe, MFOW President Anthony Poplawski, SIU-AGLIWD/NMU President Mike Sacco, MEBA/MM&P Government Fleet Representative Randi Ciszewski and your secretary.

The MSC-prepared agenda covered labor-management relations, shore leave, safety, cyber-security and a piracy update. Also discussed were the four MSC business programs: Naval Fleet Auxiliary Force (PM1), Special Mission (PM2), Prepositioning (PM3) and Sealift (PM5). Included in the PM3 presentation was a discussion of acquisition of five Mobil Landing Platform (MLP) vessels beginning in 2013. The MLP is a 34,544 metric ton displacement carrier for Landing Craft Air Cushion (LCACs) vessels. It would function as a staging position for assembling troops. The MLP would carry 1,112 Marines and their equipment, which would be transported ashore by the Landing Craft Air Cushion vessels. The MLPs would be float-on/float-off vessels that would have the ability to "pump up and pump down" via ballasting to accommodate the Landing Craft Air Cushion vessels.

After the presentations were made by MSC, an open round-table discussion was held on various issues. Your secretary, along with the MM&P's Don Marcus, raised the issue of MSCs bidding process for vessels; suggesting that MSC vessels should be allocated to various ship operators as they were in World War I, World War II, the Korean War, Vietnam and Operation Desert Storm and that mariners be paid at commercial rates. MSC was non-responsive to this proposal, basically stating that the bidding process worked for the MSC and the Navy.

Admiral Buzby concluded the meeting by suggesting that the group hold regularly scheduled meetings during the year to which the labor representatives agreed.

As a follow-up to the meeting, Admiral Buzby called your secretary, as well as the other Unions, on May 7, regarding the MLP vessels. The Admiral stated that the first two vessels that will go into operation in 2013 and 2014 would be crewed by MSC CIVMARS and the last three that will be operational in 2015, 2016 and 2017 would be operated and maintained by commercial operators via the competitive bidding process.

CALIFORNIA LABOR FEDERATION

As a Vice President of the 2.1 million worker California Labor Federation, AFL-CIO, participated in the Federation's Executive Council meetings in San Jose, California, on April 12 and 13, and attended the Federation's Pre-Primary Convention the following day, along with SUP Delegates Dave Connolly, Berit Eriksson and Diane Ferrari.

During the Executive Council meetings, all candidates for statewide office that responded in writing to the Federation's questionnaire regarding their positions on issues important to labor were interviewed. It should be noted that no Republican candidates responded to the questionnaire.

Candidates for Governor (1 candidate), Lieutenant Governor (2 candidates), Attorney General (6 candidates), Insurance Commissioner (2 candidates) and Superintendent of Public Education (3 candidates) were interviewed, then discussed and voted upon. Incumbents Debra Bowen (Secretary of State), Bill Lockyer (Treasurer), and John Chiang (Controller) as well as U.S. Senator Barbara Boxer, are unopposed in the Democratic Primary. The Council then reviewed the State Central Labor Councils recommendations for the State Assembly (80 seats), State Senate (20 seats); the U.S. House of Representatives (53 seats); and voted to concur or non-concur. Finally the Council debated and voted on the five propositions that will appear on the June 8 Primary ballot.

At the Pre-Primary Convention on April 14, all Executive Council recommendations were thoroughly debated then acted upon by the delegates.

A complete list of the Federation's recommendations will be published in the May issue of the *West Coast Sailors*.

OFFICERS' WAGES

As the membership will recall, due to the financial situation of the Union, your secretary requested in March of last year, that the officers of the Union voluntarily take a 5% reduction in wages for one year. All officers agreed.

Due to the implementation of cost-saving measures and the extra income received from the \$3 per manday allocation from negotiated wage increases, the financial situation has improved. Therefore, the 14-month wage reduction was rescinded the first week in May with SUP officers now making March 2009 wages.

It must be noted that officers of the Union voluntarily, for the good of the Union, did not accept wages increases from 1992 through 2000, and in 2005, 2006 and, of course, in 2009. It must be further noted that Controller Toby Chiurazzi, *West Coast Sailors* Editor Teresa Anibale and part-time Secretary Martha Vizcarra did not accept wage increases in 2008 and 2009, that had been previously bargained with the Office Professional Employees Union, Local 3.

HOLIDAYS

All SUP halls will be closed on Monday, May 31, in observance of Memorial Day, a holiday under all SUP contracts.

All SUP halls will also be closed on Friday, June 11, in observance of Kamehameha Day. In accordance with the Matson agreement, Kamehameha Day is a paid holiday for all company vessels (except the *Moku Pahu*) at sea or in port and all members employed under the Maintenance and Extra Maintenance agreements. If the *Moku Pahu* is in a Hawai'i port on June 11, the holiday is observed as per the ILWU Local 142 agreement.

ACTION TAKEN

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

Gunnar Lundeberg



California Labor Federation, AFL- CIO Endorsements for the June 8 Primary Election

U.S. Senate

Barbara Boxer

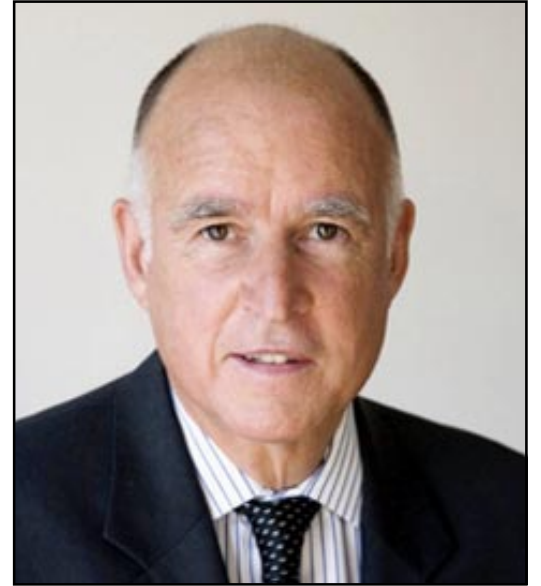


State Assembly

- | | |
|--------------------------------------|------------------------------------|
| 1. Wes Chesbro | 41. Julia Brownley |
| 2. No endorsement | 42. Mike Feuer |
| 3. Mickey Harrington | 43. Referred to Executive Council* |
| 4. Dennis Campanale | 44. Anthony Portantino |
| 5. Richard Pan | 45. Gil Cedillo |
| 6. Jared Huffman | 46. John Perez |
| 7. Michael Allen | 47. No endorsement |
| 8. Mariko Yamada | 48. Mike Davis |
| 9. Roger Dickinson | 49. Mike Eng |
| 10. Alyson Huber | 50. Ricardo Lara |
| 11. Susan Bonilla | 51. Steve Bradford |
| 12. Fiona Ma | 52. Isadore Hall |
| 13. Tom Ammiano | 53. Nick Karno |
| 14. Nancy Skinner | 54. Bonnie Lowenthal |
| 15. Joan Buchanan | 55. Warren Furutani |
| 16. Sandre Swanson | 56. Tony Mendoza |
| 17. Cathleen Galgiani | 57. Roger Hernandez |
| 18. No endorsement | 58. Charles Calderon |
| 19. Jerry Hill | 59. Darcel Woods |
| 20. Bob Wieckowski | 60. No endorsement |
| 21. Rich Gordon | 61. Norma Torres |
| 22. Paul Fong | 62. Wilmer Amina Carter |
| 23. Nora Campos | 63. Renea Wickman |
| 24. Jim Beall | 64. Jose Medina |
| 25. No endorsement | 65. Carl Wood |
| 26. No endorsement | 66. No endorsement |
| 27. Bill Monning | 67. No endorsement |
| 28. Luis Alejo | 68. Phu Nguyen |
| 29. Michael Esswein | 69. Jose Solorio |
| 30. Fran Florez | 70. Melissa Fox |
| 31. Henry Perea | 71. No endorsement |
| 32. No endorsement | 72. No endorsement |
| 33. Hilda Zacarias | 73. Judy Jones |
| 34. Esmeralda Castro | 74. Crystal Crawford |
| 35. Dual: Susan Jordan; Das Williams | 75. No endorsement |
| 36. Linda Jones | 76. Toni Atkins |
| 37. Ferial Masry; Jeff Gorell (R) | 77. Mark Hanson |
| 38. No endorsement | 78. Marty Block |
| 39. Felipe Fuentes | 79. Ben Hueso |
| 40. Bob Blumenfield | 80. V. Manuel Perez |

State Constitutional Offices

Edmund "Jerry" Brown for Governor



Lieutenant Governor
Dual: Janice Hahn; Gavin Newsom

Insurance Commissioner
Dual: Dave Jones; Hector De La Torre

Attorney General
Open

Secretary of State
Debra Bowen

Treasurer
Bill Lockyer

Controller
John Chiang

Superintendent of Public Instruction
Tom Torlakson

Board of Equalization
District 1 Betty Yee
District 2 Chris Parker
District 3 No endorsement
District 4 Jerome Horton

U.S. House of Representatives

- | | |
|--------------------------|---------------------------|
| 1. Mike Thompson | 28. Howard Berman |
| 2. No endorsement | 29. Adam Schiff |
| 3. Ami Bera | 30. Henry Waxman |
| 4. Clint Curtis | 31. Xavier Becerra |
| 5. Doris Matsui | 32. Judy Chu |
| 6. Lynn Woolsey | 33. Karen Bass |
| 7. George Miller | 34. Lucille Roybal-Allard |
| 8. Nancy Pelosi | 35. Maxine Waters |
| 9. Barbara Lee | 36. Jane Harman |
| 10. John Garamendi | 37. Laura Richardson |
| 11. Jerry McNerney | 38. Grace Napolitano |
| 12. Jackie Speier | 39. Linda Sanchez |
| 13. Fortney "Pete" Stark | 40. Christina Avalos |
| 14. Anna Eshoo | 41. Patrick Meagher |
| 15. Mike Honda | 42. No endorsement |
| 16. Zoe Lofgren | 43. Joe Baca |
| 17. Sam Farr | 44. Bill Hedrick |
| 18. Dennis Cardoza | 45. Steve Pougnet |
| 19. Les Marsden | 46. Ken Arnold |
| 20. Jim Costa | 47. Loretta Sanchez |
| 21. No endorsement | 48. Beth Krom |
| 22. No endorsement | 49. No endorsement |
| 23. Lois Capps | 50. Open |
| 24. Tim Allison | 51. Bob Filner |
| 25. No endorsement | 52. No endorsement |
| 26. Russ Warner | 53. Susan Davis |
| 27. Brad Sherman | |

State Senate

- | | |
|----------------------|------------------------------------|
| 2. Noreen Evans | 24. Ed Hernandez |
| 4. No endorsement | 26. Curren Price |
| 6. Darrell Steinberg | 28. Jenny Oropeza |
| 8. Leland Yee | 30. Referred to Executive Council* |
| 10. Ellen Corbett | 32. Gloria Negrete-McLeod |
| 12. Anna Caballero | 34. Lou Correa |
| 14. No endorsement | 36. Paul Clay |
| 16. Michael Rubio | 38. No endorsement |
| 18. Carter Pope | 40. Mary Salas |
| 20. Alex Padilla | |
| 22. Kevin de Leon | |

*No action taken as of May 21.

California Ballot Propositions

- 13. **YES** — Limits on property tax for seismic retrofitting
- 14. **NO** — "Open" primary election
- 15. **YES** — California Fair Elections Act
- 16. **NO** — Two-thirds voter approval for local public power
- 17. **NO** — Alter auto insurance company regulations in favor of the insurance companies

CALIFORNIA RESIDENTS: VOTE JUNE 8