

# **PRESIDENT'S REPORT – APRIL 2021**

## **CORONAVIRUS VACCINE UPDATE AND OUTLOOK**

Comes now the vaccine, and as it soaks in there is fresh hope. The priority access troubles are gone, rates of infection and hospitalization have sharply declined, employment numbers are up, some states are open or easing into a reopening. Yet health experts warn of variants even more dangerous, and a fourth surge is predicted. The diabolical nature of this virus is that it covertly thrives on our sociability. Past surges suggest choppy seas ahead.

An uncomfortable fact is that as of today's meeting 35% of the U.S. population has had at least one dose of vaccine, yet new cases over the past two weeks on a national basis are up 11%, to 64,285 per day. In San Francisco, Seattle, Honolulu, Los Angeles there has been double digit case increases over the last 14 days. Complicating matters are the local and state governments that figure economics into their risk assessments, which are already skewed down by vaccination rates that lowers risk levels. Yet even by their own relaxed measures, health risk levels are high. In many states, the new-case-per-day rates – recognizing that they come now post-vaccination with less catastrophic outcomes – are about where they were in June. Which is to say that the pandemic storm is still a hurricane, compared to pre-pandemic levels. Hope is good, but it is not safety. In a complex world of virology, health risks and economic trade-offs, this vital vaccine is not a universal remedy.

For Union business, SUP agents still suit up for the daily cage match of safe operations amid virus prevention, consequences, and workarounds. Still masking, still maintaining vigorous hand and face hygiene, still physical distancing, etc., the collective guard of the Union stays raised to keep our health, our work, and our Union in good shape. Vaccinations continue in all ports with good access and low hesitancy, and the assistance and guidance from all SUP Agents has never been better. In one example, SUP VP Matt Henning recently coordinated a fast moving and successful local effort to identify, acquire and distribute vaccine appointments to members. Part of the California Labor Federation's programmed distribution to the Central Labor Councils, the work included online enrollment and other facilitation and it resulted in protected sailors, both presently employed and registered for work. At the same time and without contradiction, our restriction to ship opposition continues as we lodge claims, demand explanations, defend against expansions, make incremental improvements, and insist as we have all along for the same treatment accorded to other workers and the public.

The vaccine authority still comes under the Emergency Use Authorization (EUA) classification, which means in part that it is not yet legally mandatory in employment situations. (The EUA will begin to come under its first review by the Food and Drug Administration for normal use later this month.) In the meantime, employers can legally ask for proof of the vaccine, but there are some exemptions such as disability, religion, or ideology, that presently protect against an absolute requirement. Beyond that, under rules issued by the Equal Opportunity Employment Commission, employers must be careful of triggering anti-discrimination laws such as the Americans with Disabilities Act or the Genetic Information Nondiscrimination Act, among others. Presently, as a function of the EUA and unsettled labor

law, the vaccine is not yet a condition of employment, but it cannot be ignored as a developing protocol in shipboard documentation.

In our line of work, exposures to pathogens are normal and immunizations against them part of our maritime heritage. Our “shot books” were the original records of essential worker inoculation. Members are advised to carefully attend to their vaccination cards. Take photos and make copies for back up. If there are booster shots or continuous COVID vaccinations ahead shot records will likely be important. It is understandable that some members have questions about the vaccine safety and don’t trust the government. The pause in the Johnson and Johnson vaccine distribution may add to the skepticism. Despite this, I urge member inoculation against coronavirus. It is recommended by medical experts and not only for the public health, but for one’s own protection and safety. It will also help build a stronger and more resilient Union.

## **BIDEN INFRASTRUCTURE PLAN**

On March 31<sup>st</sup>, in what is known as the American Jobs Plan, President Joe Biden laid out an infrastructure plan of historic proportions. Coming in at \$2.2 trillion or signals the beginning of a long legislative battle. There is traditional infrastructure spending, including some \$17 billion allocated for ports and waterways, but there is also a broad smorgasbord of new investments that have deep economic, political, and social ramifications. The American Jobs Plan is ambitious on a scale not seen since the New Deal.

Remarkably, Union labor was mentioned 24 times in the White House fact sheet on the policy. Designed to work with the Protect the Right to Organize Act, Biden demanded that companies remain neutral when their employees are seeking to organize a Union. Maritime labor as whole scored a victory as Biden again voiced support for the Jones Act and for investment in the Jones Act fleet. The so called “global minimum tax” feature, which requires multi-lateral international negotiations, could prove transformative for shipping industry. For much more on see this month’s issue of the *West Coast Sailors*.

With expanded access to Washington, the Union was invited to several meetings that were either run or joined by White House staff, mostly about labor’s role in the infrastructure bill. Earlier today, for example, on a call with Erica Dinkel-Smith, the Director of Labor Engagement, transportation labor pressed the Administration on the importance of the traditional infrastructure aspects of the American Jobs Plan. Derailment of the legislation could come from opposition to the wider non-traditional goals of the bill. In another call, labor specifically highlighted the Administration’s support for the Buy American/Ship American provisions. Biden Administration officials were keen to improve the size and funding of the U.S.-flag fleet as the Suez Canal blockage called world attention to the flag of convenience shipping system and the supply chain vulnerability it represents. Many of the nation’s supply chain problems can be traced to the decades long decline of the U.S.-flag fleet. There are about 84 U.S.-flagged ships in the international trade, for example, while China alone has nearly five thousand. The terms of the private contracts of carriers with shippers are built into free enterprise system and so as long there is adequate capacity and reliable schedules nobody cares. But when the system slows down and becomes congested and inefficient, it comes to light that the size of the foreign fleets, both

flag-of-convenience and national fleets, drives logistics in the United States. Certain U.S. agricultural exporters were recently unable to secure enough export cargo slots, their product spoiling in warehouses. It called into question the national security and safety of a lopsided free market, free for foreign interests to control. The best answer to this is a much larger U.S.-flag fleet and there are some in the Biden Administration who understand this.

In other government advocacy work maritime labor tended to the Congressional appropriations machinery for Fiscal Year 22 funding for the Maritime Security Program (MSP). As the membership knows, the MSP supports 60 militarily useful commercial ships engaged in the international trades and includes SUP jobs in APL ships. It has long-term authorization but must be funded every year and that takes legislative work. And even in the present era of pro-labor and pro-Jones Act momentum in Washington, the enemies of maritime labor are not hiding. The COVID relief bill passed earlier this year, had three specific anti-maritime amendments tacked on by Sen. Mike Lee (R-UT), directed this time at the cargo preference supports of U.S. maritime law. In a hearing last year on an unrelated transportation matter, Lee tore into the Jones Act, saying it was “written by the devil himself,” joining rarefied company as staunch Jones Act opponents go.

## **APL MARINE SERVICES**

**Relief Procedure Change:** On April 7, the Union was informed that APL had again changed its job order/relief procedure requirements, driven in part by its corporate parent’s reaction to shipboard cases and in part to attempt to offset risk from the virus variants. The Company will now order jobs slightly earlier and expand the pre-joining quarantine period from 8 to 10 days. Dispatched members who are not fully vaccinated will take a COVID-19 PCR test 10 days before embarkation and then another PCR test shortly before joining. For the fully vaccinated, in this case defined as having completed the second shot, there will only be one PCR test prior to joining and not required to quarantine.

**MOU on Isolation and Testing Period Dispatch Protocols:** Since February when APL started for all joining crew two COVID PCR tests with a “quarantine” period, either at home or in a hotel, the Union has pressed for regular pay and benefits if quarantined in a hotel. APL complied. That means all wages, supplemental wages, health and welfare as well as pension contributions were paid for those so dispatched. Working with Anthony Poplawski, President/Secretary-Treasurer of the Marine Firemen’s Union, and Nick Marrone, West Coast Vice President of the SIU, I pressed management for that same commitment in writing. On April 7, a final document ensuring same was tentatively signed pending membership ratification. The main provisions of the MOU are summarized as follows:

1. Any crew member required to isolate prior to joining a vessel will be paid wages and benefits for the billet they are dispatched to. Pay starts upon isolating in the hotel.
2. Crew that lives within 60 miles of the hiring hall at the port of embarkation who will not require public transit to the port of embarkation hotel may, if authorized, quarantine at home for seven days without wages for that period. For the day required to report to the hotel for the final COVID test prior to embarkation, wage and benefits will be payable.
3. Crew agrees to follow all Company directives in isolation period.

4. During isolation in Company-designated hotel the following terms also apply:
  - a. Lodging and meals at no cost to crew. (Meals are defined as Breakfast, Lunch and Dinner. Crew with dietary restrictions such as vegetarian, etc. will be accommodated by the Company at no additional cost to crew.
  - b. If internet not complimentary, crew reimbursement with proof of cost.
  - c. If laundry is not available onsite, and the lodging stay is expected to be more than 5 days, then laundry service will be reimbursed to include service for the cleaning of two sets each of shirts/pants/undergarments, between October and March one sweater or jacket.
  - d. If lodging stay is between 7-14 days, allotments will be available during first week aboard vessel in coordination with payroll department.
  - e. Hotels and locations will be safe and clean from Company-approved list. If the Union raises safety or cleanliness issues, the parties agree to find resolution within 48 hours of notification.
5. Because the transmission of COVID is still being researched and remains somewhat unknown, the Parties agree that any crew unknowingly infected and who subsequently tests positive for COVID or begins to exhibit COVID symptoms will not be blamed, or further subjected to disciplinary action by the Company.
6. This MOU will continue in full force and effect until March 31, 2021. Thereafter, this MOU will be renewed automatically from month to month unless, 15 days prior to expiration date of this MOU, or the expiration date of any renewal term thereafter, either will give notice to the other of desire to terminate or renegotiate all or part of this Agreement.

Mr. Chairman, because this is a health and safety matter for both joining and embarked crew, and because it reflects, confirms, and fixes the favorable terms of a required dispatch procedure already approved by previous Emergency Committee action, I recommend ratification of the "Quarantine" MOU.

**Shuttle Ship Replacement:** Management informed the Union that the *APL Guam* would soon go off charter hire and returned to its owner on or about May 15, 2021. The ship will be replaced by the *CMA-CGM Heradote*, but to facilitate the change management asked the Union to authorize the optional extension of tours of duty there until the ship goes off hire. After making sure that the extension was truly at the sailors' option and checking the crew relief dates with Honolulu Branch Agent Mike Dirksen, we agreed on a non-precedential basis to facilitate operations.

At about the same time, May 17, 2021, management said it expects to replace the *APL Guam* with the *CMA-CGM Heradote*. Like the *APL Guam* and the *APL Saipan*, the *Heradote* is also a small, geared self-loading and unloading containership. It will be deployed in exactly the same run as the *APL Guam* in the same GUAM-Saipan EXPRESS (GSX) service calling in Japan, Korea, Guam and Saipan.

Because the *Heradote* will remain on the same run, calling in Guam, Saipan, Yokohama and Busan, the same shuttle ship shipping rules will apply. Guam will be the port of embarkation and the Honolulu Branch is the closest port. Presently *APL Guam* and *APL Saipan* are

continuously crewed by the Honolulu Branch, and such will also be the case for the *Heradote*. Because of Korean COVID entry rules among other things a “cross deck” crewing is not possible so *Heradote* crew will assemble first in a Los Angeles hotel beginning on April 26 and go on the payroll for documentation clearance, familiarization, and other training. Therefore, in an odd situation but remaining consistent with both the letter and intent of the Shipping Rules, as well as the special situations previously approved by the membership ratification of Emergency Committee decisions, the bosun and five AB jobs will originally be called in Wilmington Branch and then revert to Honolulu first and other ports as may necessary.

## **MATSON NAVIGATION CO.**

As required under Section 36 of our Agreement with Matson, the SUP, MFOW, and the SIU-A&G Cooks (comprising the SIU-Pacific District) will shortly send formal notice to management of our intent to bargain a new labor contract to amend the one that expires on June 30, 2021. Company notice will be followed by notice to the Federal Mediation and Conciliation Service in all ports. I urge all members to consider and submit to SUP Headquarters any and all proposals to protect, maintain, and improve our collective bargaining agreements. Proposals will be referred to the SUP Negotiating Committee which under Article XVII of the SUP Constitution will be nominated in May and notice is here given. All the terms and conditions of employment are open for discussion, including those laid out in the General Rules, the SUP Work Rules, and our Maintenance Agreements.

## **PATRIOT CONTRACT SERVICES**

On March 23, 2021 the Union was informed by Patriot President Lance Bardo that a protest to the recent *Watson*-class contract award had been filed. Bardo said promised to defend the award vigorously and that more information would be coming in the next month or so. As of today’s meeting there is no new information.

The last cohort of reliefs dispatched to ships in Diego Garcia departed on March 24, and the next round of Diego Garcia reliefs is scheduled for early May. That relief procedure includes a two-week restriction of movement (ROM) or quarantine, now held at MITAGS in Baltimore before boarding a charter flight to Diego Garcia. Wages and benefits are paid during the ROM period, but a ROM quarantine broken for any reason will cancel the dispatch and extend the tour of the sailor to be relieved. Asking all members to maintain a tight quarantine in these relief situations to conduct a seamanlike relief of our sisters and brothers working overseas. On relief policy in general, the Union has so far successfully opposed an increase to the tours of duty of contract mariners from a minimum 4 to 6 months to mandatory minimum 8 to 10 months.

Members interested in sailing in SUP government ships should talk to SUP Agents dispatchers at registration and review the requirements of dispatch including the applications for training that is necessary in each particular contract. The Union’s training trust, the Andrew Furuseth School of Seamanship conducts regular instruction and for further guidance members may contact Ms. Berit Erickson for additional details at 206-551-1870 or by email at [suptrainingrepresentative@sbcglobal.net](mailto:suptrainingrepresentative@sbcglobal.net). All SUP agents are also primary points of contact for

training applications and now is an excellent time for qualified sailors to get started with the SUP.

## **QUARTERLY FINANCE COMMITTEE**

In accordance with Article XVII, Section 2 of the SUP Constitution, a Quarterly Finance Committee shall be elected at today's Headquarters' meeting to review the finances of the Union for the first quarter of 2021, and report back to the membership at the May membership meetings.

In the event the Committee cannot be filled today, recommend that when the quarterly audit is completed, which will be in about three weeks, necessary Committee members be shipped off the hiring hall deck as per past practice. The Quarterly Finance Committee will turn to on Monday, May 10 at 0800.

## **SUP BUILDING CORP MEETING**

On March 30, 2021, the Trustees of the SUP Building Corporation met to consider the management issues of the Union's property at 450 Harrison St. in San Francisco. In attendance were the trustees including Paul Fuentes, Berit Eriksson, Matt Henning, Roy Tufono, and myself as well as SUP Controller Alice Wong. The Trustees heard about issues related to building COVID prevention and safety, maintenance, tenants, cell carrier status and their possible upgrades and development proposals, as well as potential future maintenance projects. Controller Wong also advised the Trustees on minor recent improvements, lease activities, inspections, costs, and the outlook for rents in the extremely negative San Francisco real estate market. Overall, the property is in good shape and in the view of the Trustees is being managed in a manner that is both appropriate and beneficial to the membership.

## **SUP WELFARE PLAN DIGITAL BENEFITS UPDATE**

Kaiser Health members already have access to a suite of online tools via Kaiser's industry leading digital health service platform at kp.org. Recently, SUP Welfare Plan Administrator Michelle Chang informed the Union that the Health Net's previous digital telehealth services provider, known as Teladoc, had been replaced by Babylon Health Services. Babylon provides the same video consultations with a doctor from your phone, as well as a range of other 24/7 digital health services. They include various kinds of medical advice including COVID-19 testing and treatment, prescription services, specialist referrals, labs and diagnostics, and mental health support. Babylon works through its website or app (at [babylonhealth.com](http://babylonhealth.com)) available on the internet. Members registering for use via the app should use the code HNCOM.

Digital health services have proven helpful to some during the pandemic, but they are intended only to supplement existing traditional health care. They can provide the membership with easy access to an option for 24/7 health care at no cost. It is not meant to replace regular SUP Welfare Plan coverage providers, doctors or programs. Services are provided for Health Net participants free of charge, except in some cases with normal co-pays. Health Net, Babylon, and Kaiser can be accessed directly or via the telehealth services page of the SUP website at

<https://sailors.org/telehealth-services>. In general, urge all members to check out the SUP website at [www.sailors.org](http://www.sailors.org) for latest updates and additional information.

*--Dave Connolly*