



West Coast Sailors

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U.S. Merchant Marine, American workers, farmers, and the hungry of the world shafted in Obama Administration budget

Cash replaces Food for Peace eliminating U.S.-flag carriage of commodities overseas

As reported in last month's *West Coast Sailors*, it was anticipated the Obama Administration budget for fiscal year 2014 would make significant changes to the Food for Peace (P.L. 480) program adversely affecting the U.S. Merchant Marine.

On April 10, the budget was released and the contents are a disaster.

Rather than sending food overseas to the hungry, grown by American farmers, loaded by American longshore workers and carried in U.S.-flag vessels with American merchant mariners, the

President seeks to "reform" food aid by eliminating the food and sending cash instead so food can be bought locally—a folly if there every was one, given the state of the nations where aid is directed.

The President's proposal would drain all the funding out of P.L. 480 thereby eliminating the statutory requirement that U.S. commodities be used and providing the Administration with the discretion to purchase commodities overseas and without U.S.-flag cargo preference "constraints". In other words, Food for Peace, as it has been structured since 1954, would

cease to exist. The funds would be transferred out of the Department of Agriculture budget to the State Department—historically no friend of the U.S. Merchant Marine.

The President's budget:

- Shifts \$1.1 billion of the former P.L. 480 funding into the International Disaster Assistance (IDA) account under the State Department for local purchases, food vouchers or straight cash transfers to beneficiaries.
- Shifts \$250 million of the former P.L. 480 funding into the Development Assistance account under the State Department.

• Shifts \$75 million of the former P.L. 480 funding into a new Emergency Food Assistance Contingency Fund which would be used to provide urgent need food using foreign-sourced commodities.

The budget promises to purchase at least 55% of commodities in fiscal year 2014 in the United States even though it is not required using the IDA instead of P.L. 480 funding. Informed sources in Washington indicate that this "promise" will be phased-out over the next three years.

As a lame piece-off to the U.S. maritime industry, the budget proposes to offer \$25 million in fiscal year 2014 to help maintain militarily useful vessels and

"to reimburse eligible costs for mariners to retain and or renew active U.S. Coast Guard issued merchant mariner credentials for unlimited ocean service on government or commercial ocean-going sealift vessels."

In response to the President's proposal, USA Maritime—a coalition of maritime Unions (including the SUP), shipowners and maritime trade associations—issued the following statement:

"USA Maritime is severely disappointed that the Obama Administration has moved forward with this misguided proposal to effectively eliminate the long-standing and successful Food for Peace program," said James L. Henry, chairman

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Legislation to facilitate recognition of World War II Merchant Marine veterans introduced in House

Congressman G. K. Butterfield (D-North Carolina) on March 20, introduced legislation to facilitate the recognition of World War II merchant mariners as veterans, expand honorary veterans' status to include coastwise merchant seamen and provide burial benefits

for merchant marine veterans of World War II.

The World War II Merchant Marine Service Act of 2013, H.R. 1288, would expand the list of documents accepted by the Department of Homeland Security to establish seagoing service during World War II. The legislation would also expand honorary veterans' status to "a forgotten segment of the World War II merchant marine, the coastwise merchant seamen,"

as noted in a statement from the congressman's office. Additionally, the bill would extend burial benefits to merchant marine veterans of World War II.

"During World War II, thousands of Americans stepped forward to serve as an extension of our armed forces when our nation was in great need," Congressman Butterfield said. "These brave men and women, who kept the war effort going here at home, were known as

coastwise merchant seamen. For far too long they have been denied the proper recognition of their service. With the help of my colleagues, I hope to pass this bill so these fine Americans can finally receive the distinction they deserve."

If enacted, H.R. 1288 would "award any commendations, ribbons or honors earned during time of service, and provide burial benefits to these individuals that played such an invaluable

role in the World War II efforts."

As noted in the congressman's statement: merchant marine veterans of World War II were "private citizens employed by freight shipping companies. In an effort to support the American war effort during World War II, freight shipping companies and their employees became an auxiliary to the U.S. Navy. Their mission was to transport bulk war materials including

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Government report refutes Jones Act critics

A new government study examining the impact of the Jones Act on Puerto Rico has sunk allegations that the Jones Act is costly and inconvenient for those living there.

Conducted by the nonpartisan Government Accountability Office (GAO), the study found Puerto Rico's U.S. domestic container shipping fleet has not only provided top-notch service and reliability, but has also seen significant reductions in price over the last few years.

"The Jones Act has helped to

ensure reliable, regular service between the United States and Puerto Rico—service that is important to the Puerto Rican economy," read the GAO report's conclusion.

In a statement following the report's release last month, the American Maritime Partnership (AMP) said the report clearly dispels a series of untruths perpetuated by a small group of critics pushing for the Jones Act's repeal.

"GAO disproved charges that the Jones Act raises prices for

consumers in Puerto Rico," AMP said in the statement. "GAO specifically said, '[S]o many factors influence freight rates and product prices that the

independent effect and associated economic costs of the Jones Act cannot be determined."

AMP, whose affiliates in-

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NEWS FLASH: As the *West Coast Sailors* went to press, APL informed the SUP that the non-Maritime Security Program vessels *Presidents Adams, Jackson, Polk* and *Truman*, operating on the company's Suez Express Service, would be scrapped by the end of July due to lack of cargo, the age of the vessels, and the high cost of maintenance.

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SUP Honor Roll

Voluntary contributions from the membership to the following funds:

Organization/ Political Fund General Fund

M.S. Griggs.....	50.00
Phil Howell in lieu of dues increase	100.00
Noel Itsumaru	25.00
Knud Jensen	50.00
James Kolm.....	25.00
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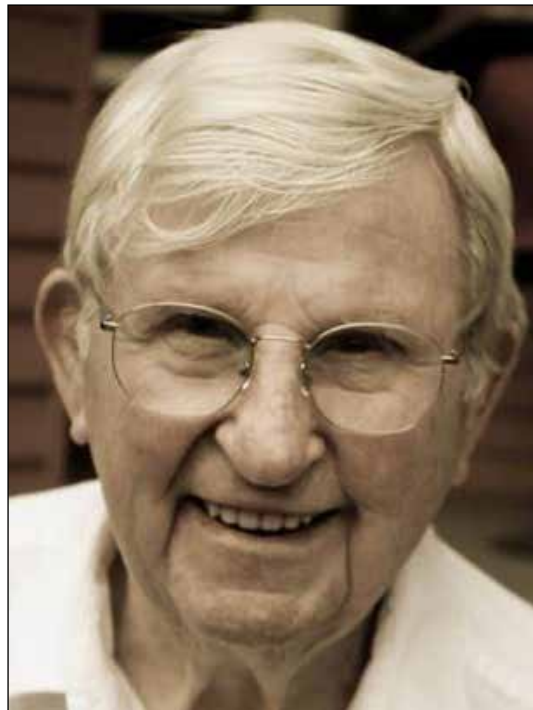
Dues-Paying Pensioners

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West Coast Sailors

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Richard Reed.....	25.00
Bruce Thompson.....	25.00
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Alberto Villacrusis	20.00

Captain Bill Crawford crosses the bar



**William Patrick Crawford
1922 - 2013**

Captain William P. Crawford, a familiar figure on waterfronts along the West Coast, passed away peacefully on March 20. He is survived by his wife Dorothy, thirteen children Patricia, Thomas, John, Christine, Andrew, Daniel, Joseph, Robert, Timothy, James, Margaret, Catherine, and William, 19 grandchildren, and four great grandchildren.

Bill was born into an Irish seafaring family in 1922, left college to serve as a merchant seaman in the Atlantic, Pacific and Mediterranean-Middle East war zones and was an unlimited shipmaster by the time he was 21 years old. After the war he finished school and then practiced admiralty law until joining in the operation of the family training school for shipmasters and officers. He taught in Crawford

Nautical School locations in New Orleans, Los Angeles, San Francisco and Seattle for almost six decades. He was a noted author of maritime trade books, including Mariner's Celestial Navigation and Mariner's Weather. He published his first novel when he was 88 years old.

Bill had a fierce intelligence, insatiable curiosity, undeniable charm, and well-earned pride in his many accomplishments. He truly lived every day of his long life. His memory lives on through his family, all of the seafarers he taught (many from the SUP), and many others whose lives he touched.

West Coast imports increase 25% in February

Containerized imports coming into the ports along the West Coast of the United States increased 25% during the month of February on a year-over-year basis according to statistics published by the Pacific Maritime Association. Exports leaving those same ports increased 2% for the month compared to February 2012, as the recession in Europe continues to have effects on world wide trade. Nevertheless, the spike in imports helped West Coast ports record a 15% increase in total container volume, including loaded import and export containers, compared to last February.

West Coast ports have also performed well during the first two months of 2013, with total container volume up 10%. Imports are up 15% and exports have increased 2% for the first two month of the year compared to the same time period a year ago. Economists earlier this year had projected modest growth in 2013, of only about 4% to 5%. The sustainability of the strong performance in imports will become clearer when the March numbers are reported. February was expected to be a strong month compared to February 2012, because the Chinese New Year celebration was held earlier last year. Factories in Asia pushed forward their shipments in 2012 before the plants closed for a week or two.

The lunar New Year celebration this year was later, so declining shipments in March will be compared to relatively strong imports last March.

Cutting Social Security benefits is wrong and indefensible

By Richard Trumka, President of the AFL-CIO

A president's budget is more than just numbers. It is a profoundly moral document. We believe cutting Social Security benefits and shifting costs to Medicare beneficiaries—while exempting corporate America from shared sacrifice—is wrong and indefensible.

The administration's budget cuts cost-of-living increases for current and future Social Security beneficiaries by \$130 billion over 10 years, and much more in future years. It shifts \$64 billion in health care costs to Medicare beneficiaries over 10 years. Yet despite closing some loopholes, it calls for corporate income tax reform that is "revenue neutral"—meaning it fails to ask big, profitable corporations to pay their fair share of taxes.

The Obama budget also continues to demand more sacrifice from federal employees than from Wall Street. Federal employees did not cause the Great Recession. They did not cause the deficits that resulted from the Great Recession. Yet their pay and their retirement keeps getting cut. Why?

Putting aside the injustice of demanding sacrifice from the innocent while letting the guilty off scot free, the Obama budget falls short of putting our economy on a path towards higher wages and full employment. As we have said many times, the greatest economic challenge facing America is the jobs crisis, not the deficit. Yet the administration cuts the part of the budget that pays for investments in worker training and jobs, which has already been cut to its lowest level since the Eisenhower administration, by another \$100 billion. This austerity budget is bad economic policy at a moment when the economy remains weak and we urgently need more job-creating investments.

The President's budget does include several proposals worthy of praise. It aims to provide universal access to pre-kindergarten programs that are so important to our children. It strengthens programs to protect workers against wage theft, unsafe workplaces and employer retaliation. It closes the outrageous loophole that allows Wall Street financial managers to pay a special lower tax rate. And it reforms some of the tax loopholes that allow corporations to get away with shifting profits overseas to avoid U.S. taxes.

Last November, working Americans voted for jobs and growth, not for budget austerity and benefit cuts. We urge the President to drop these cuts and build support for investing in jobs.

SUP Meetings

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

	Hdq.	Branch
May	13	20
June	10	17
July	8	15
August	12	19
September	9	16
October	Tues. 15	21
November	Tues. 12	18
December	9	16

Final Departures

Joe Amey, Book No. 3802. Born in California in 1941. Joined SUP in 1977. Died January 11, 2013. (Pensioner)

Richard Filkins, Book No. 2214. Born in Iowa in 1926. Joined SUP in 1957. Died in Cottonwood, Arizona, April 4, 2013. (Pensioner)

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Gunnar Lundeberg,
President/Secretary-Treasurer
Teresa Anibale, Editor
BRANCH OFFICES
Seattle, WA 98106

4269 22nd Ave. W. (206) 467-7944
FAX: (206) 467-8119

Wilmington, CA 90744
533 N. Marine Ave. (310) 835-6617
FAX: (310) 835-9367

Honolulu, HI 96813
707 Alakea St., Rm. 101 (808) 533-2777
FAX: (808) 533-2778

WELFARE OFFICE
(415) 778-5490
PENSION PLAN OFFICE
(415) 764-4987

Hawai'i legislators seek exemption from Jones Act's build requirement

Five members of Hawai'i's state legislature last month introduced resolutions (H.R. 119 and H.C.R. 150) calling on Congress to enact legislation to change the Jones Act so that ships operating between the U.S. mainland and Hawai'i, Alaska and Puerto Rico do not have to be built in the United States.

Lead sponsor State Republican Representative Gene Ward noted in a press release that foreign-built vessels are allowed in the domestic Guam trade, and said an exemption for cruise ships put in place in 2003 through efforts by the late Senator Daniel Inouye, "revitalized Hawai'i's cruise ship industry and boosted our tourist economy." Other sponsors of the bill are Representatives Lauren Kealohilani Cheape, a Republican, and John M. Mizuno, Cindy Evans, and Clift Tsuji, all Democrats.

"This exemption from the U.S. built requirement will become very important in Governor Abercrombie's plans to switch from petroleum based fuels to Liquefied Natural Gas (LNG) for the purpose of electrical power generation," Ward said.

The press release said no U.S. shipyard has built LNG carriers since the 1970s. With the shutdown of Tesoro's Hawai'i refinery in April 2013, the release noted Hawai'i Gas is losing its supplier of naphtha feed stock for the production of synthetic natural gas (SNG) and Hawai'i Gas SNG customers will soon depend on recently-approved shipments of LNG carried in 40-foot refrigerated tank containers. Ward said LNG carriers are required, if LNG is to power the much larger demands of electricity generation.

The proposed exemption would not change the other requirements of the Jones Act, such as U.S.-flag, crew and ownership, and would not apply to the tug and barge industry, nor cause a loss of any maritime jobs in Hawai'i or the other noncontiguous jurisdictions.

"The high cost of new Jones Act ships is the main cost driver in the noncontiguous trades and by allowing foreign-built oceangoing ships operating under the U.S. flag into these trades we can substantially lower the shipowners' capital costs and meaningfully increase competition that will assist all of the residents," said Ward's office in a statement. "This exemption would also not affect Matson who has some of its ship repairs done in Asia rather than U.S. ports. This will not alter current ship repair operations."

"We are looking forward to the legislatures of Alaska, Guam and Puerto Rico to join with us by passing complimentary resolutions supporting this important Jones Act exemption for all of us," Ward concluded.

Perez picked for Secretary of Labor

President Barack Obama has nominated Assistant Attorney General and former Maryland Labor chief Thomas Perez to be the next U.S. Secretary of Labor.

Perez, head of the Justice Department's Civil Rights Division, would replace Hilda Solis, who spent the last four years as Obama's labor secretary. Perez's is subject to confirmation by the Senate.

Born a son of immigrants with working-class roots, Perez was hailed by Obama as someone who understood the issues facing the middle class and would expand opportunities for all Americans.

"Like so many Americans, Tom knows what it's like to climb the ladder of opportunity. He's the son of Dominican parents. He helped pay his way through college as a garbage collector and working at a warehouse. He went on to become the first lawyer in his family," Obama said during a March 18 nomination ceremony for Perez. "So his story reminds us of this country's promise, that if you're willing to work hard, it doesn't matter who you are, where you come from, what your last name is, you can make it if you try."

In a statement following Perez's nomination, AFL-CIO President Richard Trumka said working men and women would be well-served by Perez as head of the Labor Department.

"Throughout his career, Perez has fought to level the playing field and create opportunities for working people, whether in the workplace, the marketplace or the voting booth," Trumka said. "At a time when our politics tilts so heavily toward corporations and the very wealthy, our country needs leaders like Tom Perez to champion the cause of ordinary working people."

At the Justice Department, Perez cracked down on housing discrimination and hate crimes while also fighting employers who cheated workers out of wages and health care. Prior to that, he served as Maryland's secretary of labor, helping to implement the country's first statewide living-wage law.

Long Beach appeals L.A. rail yard project

The Long Beach Board of Harbor Commissioners voted unanimously this month to support the city's appeal of the Southern California International Gateway rail yard project, which was recently approved by the Port of Los Angeles. The proposed 153-acre facility by BNSF Railway Company sits just outside West Long Beach, alongside the Terminal Island Freeway on land owned by the Port of Los Angeles. The project, if built, would serve on-dock rail facilities at both the Port of Long Beach and the Port of Los Angeles.

"Improvement of rail facilities is critical to the economic development of this port, and improved rail facilities are what we need in order to reduce emissions," said Susan E. Anderson Wise, President of the Long Beach Board of Harbor Commissioners. "Everyone can do better on this project than has been done so far."

The City of Long Beach has appealed the Port of Los Angeles' approval of the project to the Los Angeles City Council, which will vote on the project in the coming weeks. Long Beach officials have opposed the project as it stands, saying it does not sufficiently reduce the impact on the residents, businesses and schools in West Long Beach. "L.A. needs to treat Long Beach like a neighbor, not just dump the project over here without mitigation and changes," said Long Beach Board of Harbor Commissioner Nick Sramek.



Memorial on board the *APL China* for Joe Marusak: From the left: *AB Deo Rebosura*, *Third Mate Stephen Vandale*, *Chief Mate Michael Christle*, *Day Man Jim Linderman*, *Bosun Gus Silva*, *AB Larry Gately*, *AB and Delegate Manny Roxas* and *STOS John Hoyme*.

APL discontinues 53-foot boxes in TransPacific

American President Lines has discontinued offering ocean service in the TransPacific using 53-foot containers. "The economics just didn't work," said Gene Seroka, Chief Executive Officer of APL Americas. "We'll keep watching it, but at this time it's just not a viable option." He said it was difficult to find exports to match inbound cargo arriving in the containers.

APL first rolled out the "ocean-capable" 53-foot containers in the fall of 2007, and discontinued using them on ocean services last year. The boxes were reinforced with stronger corner posts than domestic 53-foot boxes. Seroka said some of the containers are now being used by APL Logistics, the company's domestic affiliate, and some have been sold.

China to own more than a third of global fleet by 2030

China will be the owner of more than a third of the world's merchant tonnage by 2030, according to a newly published report by United Kingdom class society Lloyd's Register (LR). "Global Marine Trends 2030" is an attempt by the class society, along with the University of Strathclyde and Qinetiq, to predict future shipping scenarios. Using key drivers based on population growth, economic development and demand for resources, the report's authors have attempted to paint three possible pictures for 2030. All three suggest that while shipping is currently reeling from the impact of the economic crisis around the world, the industry is set to benefit from eventual growth, with seaborne trade more than doubling to reach up to 24 billion tons annually.

The three scenarios include a status quo, with the current overall growth momentum, but with some booms and busts over the next 20 years. The second scenario implies a growing concern over resource limitations and environmental limitations that leads to governments seeking increased sustainability and more common ground and accelerated economic growth. The third possible picture is one of increased competition, in which states act increasingly in their own interests, with little agreement being forged among governments or sustainable development. This scenario leads to a likely rise in national protectionism and slower economic growth.

In all three scenarios painted by the collaborators on the report, shipping benefits, albeit to differing degrees. The key to most of this is general economic and population growth. Increases in China's and India's populations will continue to dominate, and as the regions see increased affluence, so will trade into the region. Intra-Asian trade will grow and China is likely to take a controlling interest in shipping. The global population in 2010 was 6.9 billion people, and will reach 8 billion by 2030, of which 18% will be in India and 17% in China. The population increase will, however, be coupled with increased longevity, with some countries seeing large increases in the percentage of the population at retirement age. As an example, the report cites the growing problem in Japan, where 53 pensioners will be supported by 100 workers by 2030.

Some countries will start to see population figures drop, not only Japan, but also Germany and Russia. The report suggests China will reach its population peak by 2030 and start to shrink unless it alters its one child policy.

A further factor that has to be taken into account when looking at global marine trends is the increase in urbanization of societies. Most major cities are close to ports or inland waterways, and the cities most likely to see population growth will be in Asia, Latin America and Africa. The LR report suggests the global economic focus will shift east, particularly as China begins to dominate. This in itself is nothing new and has been forecast before, but the report suggests this comes as world gross domestic product increases by a factor of three in the 20 years between 2010 and 2030.

Purchasing power in Asia will rise by a factor of eight in this period, with an average of 285 people joining the middle class every minute. This leads to more complex trade routes as economies interact more with each other, regardless of the three scenarios the LR team have envisaged. Demand for natural resources will increase, with a 40% higher energy demand forecast for 2030, with China continuing its hunger, requiring three times as much oil.

While the world will continue its hunger for natural resources, increased demand in developing countries will see increased shifts in trade lanes. Total tonnage and vessel numbers will increase for all vessel types, although at a slower rate for tankers.

Port of Los Angeles approves lease for BNSF Railway

The Los Angeles Harbor Commission on March 21, approved a 50-year development agreement and lease for BNSF Railway to construct, operate and maintain an intermodal container transfer facility on port property in nearby Wilmington that proponents say would improve cargo handling efficiency.

Currently, import containers that don't move inland from the dock as a block on unit trains are trucked 24 miles downtown to the City of Commerce to BNSF's Hobart Yard. The near-dock intermodal facility would reduce about 1.3 million truck trips annually, according to the Port of Los Angeles.

The commission last month approved the Environmental Impact Report for the proposed project on a site four miles north of the port. BNSF has said it plans to invest \$500 million to develop the 185-acre facility.

BNSF would pay estimated annual rent of \$6.3 million to the port during the development period, and \$7.8 million annually for the first five years of operation, with rent adjusted to market conditions thereafter, according to port staff. In addition, the port authority would receive fees for each container handled by BNSF.

The agreements were approved 4-0. Commissioner Sung Won Son abstained, saying he did not have enough time to review new documents presented to the commission and because of concerns about potential job losses.

Several existing tenants of the port property are in danger of closing if they cannot be successfully relocated. California Cartage President Robert Curry asked commissioners during the public meeting to insist that BNSF help the company relocate to another suitable location or provide financial assistance to enable the company to move. Cal Cartage is a major drayage and warehouse company that specializes in transloading ocean containers into larger domestic containers moving across the United States for customers such as Home Depot, Target, Suzuki and New Balance. Last year it handled more

than 100,000 TEUs. Cal Cartage occupies about 90% of the existing property that is being re-purposed for BNSF's Southern California International Gateway (SCIG).

Representatives for L.A. Harbor Grain Terminal requested the Harbor Commission direct port staff to identify a vacant plot of port property for relocation and that lease approval be postponed for a short period until a compensation package could be worked out with BNSF. L.A. Harbor Grain is an export transloader, receiving rail cars and domestic trucks full of hay, alfalfa, soybeans and other grains that are transferred into 40-foot ocean containers. It loads about 20,000 TEUs per year.

San Pedro Fork Lift is another company that faces an existential threat from the SCIG. The company has 10 employees that work in proximity to L.A. Harbor Grain. It handles 70% of the fumigation of imported agricultural goods at the Port of Los Angeles. A company representative said talks with BNSF were ongoing and a potential site for the business was under review.

Three Rivers Trucking, which occupies about 15 acres on the planned development site, is a refrigerated carrier that moves export produce from the San Joaquin Valley in Central California to West Coast ports. Despite the longer distance to Southern California, it delivers four times as much produce to Los Angeles and Long Beach than to the Port of Oakland. A company official said the company is in talks with BNSF, but without another location on a heavyweight corridor it would have to steer business back to Oakland.

The BNSF lease, as well as an appeal of the Environmental Impact Report, now go to the Los Angeles City Council, which has the authority to approve or deny the lease, or send it back for modification.

Construction of the yard, pending approval, is due to begin later this year. It is expected to open in 2016 and initially handle 570,800 TEUs. By 2035, SCIG is projected to handle a maximum of 2.8 million TEUs.

Shipowner fined \$1.3 million after *Costa Concordia* plea bargain

Italian cruiseship operator Costa Crociere has been fined \$1.3 million after accepting limited responsibility for the casualty that killed 32 people in January last year when the *Costa Concordia* struck a reef off the Mediterranean island of Giglio. The Carnival Corp. affiliate asked for a plea bargain deal, in effect releasing it into investigations into the criminal activities of its employees, to which it is subject under local law. Although Judge Valeria Montesarchio accepted the plea after a hearing, the ruling applies only to criminal proceedings, which is said to leave the way open for civil action.

Meanwhile, prosecutors are seeking indictments for *Costa Concordia* master Francesco Schettino and four other people on charges including manslaughter. Among the five are an officer, two other officials who were on the bridge during the grounding and Roberto Ferrarini, the shore-based official who managed the situation. Captain Schettino is accused of manslaughter, causing a shipwreck and abandoning the vessel before all the passengers had been evacuated.

Costa Concordia remains capsized, but salvage efforts are under way.

Nautical terms in everyday speech

Grease the Skids... (to smooth the way)

On May 31, 1911, the world's largest and most luxurious ship majestically slid down the stocks at the Harland and Wolff Shipyard into Ireland's Belfast Lough. Twenty thousand pounds of tallow had been applied to the skids to facilitate a smooth launching. Having the skids greased does not, however, ensure smooth sailing, either figuratively or literally. The ship, the R.M.S. *Titanic*, was to make her apocalyptic maiden voyage the following year.

Cash proposed to replace Food for Peace *continued from page 1*

of USA Maritime. "Despite recent letters from Congress to the White House that demonstrate strong, bipartisan support for this program, the Administration is still advocating an unnecessary and harmful change to our flagship international aid program. We continue to view this proposal as shortsighted and seriously damaging to both national security and merchant mariner jobs.

Since 1954, Food for Peace alone has benefited more than 3 billion people in 150 countries and is an important symbol of America's goodwill. Unlike other foreign aid programs, this time-tested program does more than just send aid overseas. Food for Peace is a point of pride for the 44,000 American farmers, shippers, processors, longshoremen, and merchant mariners whose jobs depend upon the program. Food for Peace leverages private and public resources to make a meaningful difference for millions of people in a way that Government cash handouts simply cannot."

Food for Peace is not only one of our premiere diplomatic tools, but it is also an important component of our national security. By ensuring a steady flow of American cargo shipped by Americans on U.S.-flag ships, PL-480 helps maintain our Merchant Marine, which is critical for our ability to support our troops and first responders in time of war or national emergency. In fact, American mariners on commercial U.S.-flag vessels delivered more than 90% of defense cargo to military posts in Iraq and Afghanistan. According to the Department of Defense, without the base of food aid cargoes to help sustain the commercial U.S. - flag fleet, we will not be able to sustain the national defense sealift capability our military needs without significant additional Federal expenditures.

The Administration's proposals to shift funding to a system of global food stamp vouchers, or to shift to purchases of food aid from allegedly cheaper foreign suppliers instead of donating wholesome commodities grown by American farmers will be harmful to our US Merchant Marine, harmful to our national defense sealift capability, harmful to our farmers and millers, and bad for our economy. USA Maritime strongly encourages Congress to reject the Administration's misguided proposal, maintain the current program and sustain PL 480 Food for Peace funding. Doing so will ensure that this program continues to focus on the reliable export of safe and nutritious U.S.-grown commodities to those in need overseas.

We all agree on the importance of reducing spending during these trying economic times, but the Food for Peace program has already been cut 35 percent since 2008 despite increased need among the most vulnerable populations in the world. Now is not the time to drastically alter the most dependable tool we have to fight global hunger—a tool that has been working for over 50 years. And in a time when unemployment remains a major obstacle to economic growth, shipping American jobs overseas is the last thing any Administration should be proposing."

Government report refutes Jones Act critics

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clude the SUP, is considered the most broad-based coalition ever assembled to represent the domestic maritime industry. Its 450-plus members span the country and include vessel owners and operators, shipboard and shore-side Unions, shipbuilders and repair yards, equipment manufacturers and vendors, dredging and marine construction contractors, trade associations, other coalitions, pro-defense groups, and companies and organizations in other modes of domestic transportation.

The Jones Act stipulates that all cargo shipped between U.S. ports be transported on vessels that are owned, built, flagged and crewed by Americans. According to a study by Pricewaterhouse Coopers, the Jones Act accounts for approximately 500,000 jobs, more than \$100 billion in annual economic input and nearly \$11 billion in annual tax revenue.

While critics of the Jones Act have argued the law has resulted in higher shipping costs, the GAO study showed no evidence of those charges. If anything, AMP said, the GAO report showed how those criticisms of the Jones Act were baseless and lacked the data to back up their cost-related assertions.

"GAO's report confirmed that previous estimates of the so-called 'cost' of the Jones Act are not verifiable and cannot be proven," AMP said. "In many cases, GAO cited allegations against the American fleet despite admitting that the claims could not be validated or verified."

Conducted between October 2011 and February 2013, the study was the most comprehensive examination of the relationship between the Jones Act and Puerto Rico ever produced. AMP said the large amount of data included in the report showed just how wrong allegations of high Jones Act costs were.

"In fact, container shipping rates in

Puerto Rico for American companies dropped as much as 17% between 2006 and 2010, according to the study," AMP said. "GAO said there is no guarantee that shipping rates would go down further if the Jones Act were changed."

Aside from its economic significance, the Jones Act is also considered vital to national defense. American mariners have been called on to serve their country time and time again during periods of national crisis or war, and the Jones Act has ensured U.S. Merchant Mariners were available to answer that call.

Statements by the U.S. Navy and other segments and supporters of the military have underscored just how important the law is to the country.

As the Navy League of the United States put it, "As a maritime nation, the United States depends not only on a strong Navy, Marine Corps and Coast Guard, it also requires a strong commercial maritime industry. The Jones Act must be maintained so that... U.S. citizen mariners can continue to provide the economic and military support that is critical to our national interests."

In its statement, AMP said it was happy to see the GAO report highlight some of the important national security benefits of the Jones Act.

"In fact, the study quoted the Defense Department and the U.S. Maritime Administration as saying the contributions of American commercial shipyards are more important than ever as the number of new military vessels being constructed is reduced by federal budget cuts," AMP said. "American ship construction for Puerto Rico is important for national security because, according to GAO, it helps shipbuilders sustain their operations, as well as helps them to retain a skilled workforce and supplier base. Absent new orders, that workforce could be put at risk."

Retired Admiral on the U.S. Merchant Marine

The following article was published in the Washington Times on March 13, and was written by Retired Admiral James A. Lyons. Admiral Lyons was Commander in Chief of the U.S. Pacific Fleet and Senior U.S. Military Representative to the United Nations.

For more than 200 years, the United States Merchant Marine has been a key element in our overall national security equation. It has supported our nation's military operations and conflicts throughout the world. It has always been the reliable partner, particularly when foreign flag ships and crews have refused to carry our needed military supplies and cargo into conflict areas or for political purposes. However, recent actions by the Obama administration call into question the sustainability of the U.S. Merchant Marine. For example, what is the objective of the administration's recent reduction in cargo preference shipment of food aid for U.S. flag vessels? Over the Fourth of July holiday weekend last year and before even the Maritime Administration knew about it, the Obama administration reduced cargo preference shipments of American food aid to be carried by U.S.-flag ships from the traditional 75% to 50%.

Such a reduction has serious consequences, as it has a significant adverse impact on the Merchant Marine, particularly when combined with the numerous waivers granted by the administration to the Jones Act. The act basically regulates domestic waterborne transportation, including not only oceangoing vessels but barges as well, in order to protect U.S.-flag ship operations from foreign competition. Under the Jones Act, a foreign flag ship is precluded from, say, picking up cargo in Boston and delivering it to Houston or from carrying cargo from the Port of Los Angeles to Hawaii. Cargo under the Jones Act must be transported by ships that are "American built, owned, flagged and crewed," except if waivers are granted. Unfortunately, the Obama administration has granted more waivers to the Jones Act than any other previous administration. So much for "buy American."

The U.S. Merchant Marine certainly has not escaped the impact of sequestration. One of the Obama administration's most controversial deficit reduction plans involves the Title 11 Food for Peace Program. The new plan for food aid being considered is to give the money directly to the nations whose citizens are starving, instead of buying food from American farmers and shipping it in American flag bottoms. Nations such as Sudan, Uganda, Ethiopia, Kenya, Colombia, Pakistan and Egypt would get direct cash payments so they supposedly could purchase food locally for their starving people. It is doubtful, to say the least, that cold, hard cash from the U.S. taxpayer would only be used by those leaders to purchase food.

Under such a plan, non-government organizations would oversee the program. Oxfam America, a non-government organization with global headquarters in Boston and a policy and campaigns office in Washington, D.C., is currently lobbying Congress heavily to cease buying food from American farmers and totally end U.S. cargo preference laws for U.S.-owned flag ships operators. Oxfam America received \$78 million in revenues in 2011 and spent \$28 million of it in organization salaries.

Ending food aid stamped with "Produced and made in USA" and sending the money and expensive non-government organizations overseas to ensure that people are fed will only ensure more corruption and waste. For most of these poor countries, their farmers cannot produce enough food now, which is the reason the American taxpayer is providing it. Wouldn't it be better to buy food from U.S. farmers and transport it in U.S. flag vessels than to provide cash to questionable and corrupt regimes?

It is also understood that the Maritime Administration believes that the Obama administration's proposal to lower the cost of the food aid program through greater use of foreign flag ships would quite simply be outsourcing American jobs in favor of foreign workers.

The Maritime Administration estimates that if the administration goes ahead with funding reductions for the Title 11 Food for Peace program it will have a serious negative impact on U.S. sealift capability. The nation will lose about 1,200 qualified Merchant Marine personnel, and in order to survive, U.S. ship owners will re-flag their ships. The Maritime Administration has estimated that at least 30 ships will most likely be immediately re-flagged to foreign registry. The loss of the ships and the mariners in the labor pool will directly impact national security objectives by limiting available mariners to crew government rapid-response sealift ships when activated for emergencies.

Before the administration proceeds with changing the concept of the Food for Peace program and the food aid cargo preference program, the U.S. Transportation Command and its component Military Sealift Command should be asked to assess the impact to national sealift capabilities. All Maritime Security Program ships have made significant contributions to our current military conflicts, through cost-effective and reliable transportation services. There does not appear to be any reason for reducing this requirement for the foreseeable future.

Ex-Crowley VP indicted by U.S.

Crowley's former vice president of price and yield management, Thomas Farmer, has been indicted on charges of price fixing in the U.S./Puerto Rico container trade. A federal grand jury in San Juan, Puerto Rico, returned the indictment against Farmer on March 21, charging him with conspiring to suppress and eliminate competition by agreeing to fix rates and surcharges from at least as early as mid-2005 until at least April 2008. Farmer faces up to 10 years in prison and a \$1 million fine if found guilty.

The indictment alleges that Farmer and co-conspirators carried out the price-fixing scheme through meetings and conversations in the United States and Puerto Rico "to fix, stabilize and maintain rates and surcharges for Puerto Rico freight service; to allocate customers of Puerto Rico freight services between and among the conspirators; and to rig bids submitted to customers of Puerto Rico freight services".

Six executives have so far been snared in the investigation, which has also included Jones Act carriers and co-conspirators Horizon Lines and Sea Star Line. The companies and executives have been ordered to serve sentences ranging from seven months to four years in prison and to pay more than \$46 million in criminal fines.

Haphazard policies threaten future of U.S. Merchant Marine

by K. Denise Rucker Krepp published in the Maritime Executive on March 26

Congress and the Administration do not understand the relationship between the U.S. merchant fleet, the military, and trade. This lack of understanding has created haphazard policies that are gutting the fleet and inhibiting the private sector's ability to recapitalize our aging maritime industry. The time for action is now. Congress and the Administration are considering budget proposals that, if unopposed, would destroy the U.S. maritime industry and hand over our maritime supremacy to foreign carriers.

The lack of understanding was clearly evident during a recent visit by President Obama to the Newport News Shipbuilding facility in Virginia. The facility employs 22,000 people in the state. The purpose of the President's visit was to draw attention to sequestration's impact on the military. The President, however, did not talk about the impact on the U.S. merchant fleet. Shipyards like the one in Newport News also build commercial vessels. When shipyard employees are laid off, neither military nor commercial vessels are built.

Joined at the Hip

The U.S. merchant fleet and our military have had a close relationship since the founding our nation. The U.S. went to war against Britain two hundred years ago with the rally cry of "Free Trade and Sailors' Rights" because the British Navy was impressing U.S. mariners. These mariners then provided support to the U.S. military during World War II, the Korean, Vietnam, Persian Gulf and Iraq wars. The military relied on the U.S. merchant fleet to transport much-needed ammunition and supplies. As many a general and admiral know, battles are won or lost based upon the success of the logistics chain. "An army moves on its stomach," Napoleon famously said.

Our nation's economic superiority is also linked to the military and the U.S. merchant fleet. In the late 1800s, under the influence of Alfred Thayer Mahan, the government expanded the Navy. Mahan believed that national greatness depended upon control of the sea. The increased naval fleet provided protection for our U.S. merchant fleet, allowing it to safely transport U.S. manufactured goods around the world. The same theory applies today. The applicability of the theory, however, has been put in jeopardy with the decreased number of naval ships available to protect our U.S.-flagged imports and exports.

While Congressional leadership is drafting legislation gutting the shipbuilding industry, House Transportation and Infrastructure Committee Chairman Bill Shuster (R-Pennsylvania) is currently working on legislation to improve the state of our waterways infrastructure. According to the Chairman, "Improving the efficiency of our locks and dams, inland waterways, ports, and waterborne transportation is essential to maintain and improve U.S. competitiveness in the global economy." These improvements, however, can't be made if U.S. crews and vessels are not available to transport goods along America's vast waterways system.

The availability of U.S. crews and vessels has been further compromised by legislation developed by House Budget Chairman Paul Ryan (R-Wisconsin). Chairman Ryan's fiscal year 2014 proposal includes language that would eliminate the ocean freight differential program for food aid. U.S. law states that food aid must be transported on U.S. ships, thereby creating jobs for U.S. farmers and mariners. According to Ryan, this program "needlessly adds to taxpayer cost for these humanitarian missions." Chairman Ryan does not realize that vessels transporting U.S. food aid are the same ones that provide our military with much-needed supplies and ammunition. The Administration has indicated that it wants to write a check for food aid instead of sending grain, so it may not oppose Chairman Ryan's language.

"One Phone Call at a Time"

The American public can educate Congress and the Administration about the relationship between the military, trade, and the U.S. merchant fleet, one phone call at a time. Every time a constituent calls a Member of Congress, the congressional staffer answering the call must log it in. Call logs are reviewed by Members and can directly impact how they vote on legislation. Everyone should pick up the phone over the next couple of weeks and tell their Member that maritime matters. If you don't know who your Member is, you can find this information on the Library of Congress website at thomas.loc.gov.

Additionally, constituents can influence questions that Members of Congress ask Administration officials at hearings. Hearings are held so that Members can learn more about Administration appointees and decisions. Everyone has the right to request that their Member ask specific questions during a hearing. These questions can include: "Do you support the U.S. shipbuilding industry?"; "Do you support the Jones Act," and "Do you support cargo preference?"

The questions above could be asked at the upcoming April 9th Senate Energy and Natural Resource Committee confirmation hearing for Secretary of Energy nominee Ernest Moniz, the April 16 Coast Guard and Maritime Transportation Subcommittee budget hearing, and the confirmation hearing for the new Secretary of Transportation when he or she is nominated. Lastly, Senators can always ask questions of Administration-proposed appointees after confirmation hearings and before full Senate approval.

The only ones who will win from disjointed policies that gut the U.S. merchant fleet are foreign carriers. These carriers are poised to take over the responsibility of transporting our military's guns and supplies. They are also primed to take over control of the sea. One phone call at a time can change the current course of action. Supplementing these calls with emails will put enough pressure on Congress and the Administration to make them understand that maritime matters to everyone.

SUPPORT THE SUP POLITICAL FUND

Legislation to facilitate recognition of WW II merchant marine veterans introduced in House

continued from page 1

food, clothing, (and) weapons, (as well as) troops to all areas of conflict and coastal installations here at home.”

Separately, “coastwise merchant seamen were tasked with the critically important role of transporting materials for the war effort along the U.S. coast. Although coastwise merchant seamen did not sail across the Atlantic or Pacific Oceans into areas of conflict, they still encountered the enemy while delivering cargo that kept the war effort moving forward.”

As noted in the statement: “Congress has previously passed laws to recognize the efforts of the merchant marine. However, these laws have failed to incorporate the entirety of those who served in the merchant marine during World War II, and have placed onerous and sometimes impossible criteria on these individuals to prove their service. “In most cases, the documentation currently required to prove service no longer exists or can be extremely hard to find. (Rep.) Butterfield’s bill allows Social Security Administration records, validated testimony by the applicant or closest living relative, and other official records that provide sufficient proof of service.”

H.R. 1288 was referred to the Committee on Veterans’ Affairs, and to the Committee on Armed Services. As of April 16, the bipartisan legislation had 61 cosponsors:

Barrow, John (D-Georgia)	McCarthy, Carolyn (D-New York)
Bordallo, Madeleine Z. (D-Guam)	McCaul, Michael T. (R-Texas)
Brady, Robert A. (D-Pennsylvania)	McCollum, Betty (D-Minnesota)
Brown, Corrine (D-Florida)	McDermott, Jim (D-Washington)
Carson, Andre (D-Indiana)	McGovern, James P. (D-Massachusetts)
Coble, Howard (D-North Carolina)	McHenry, Patrick T. (R-North Carolina)
Connolly, Gerald E. (D-Virginia)	McIntyre, Mike (D-North Carolina)
Courtney, Joe (D-Connecticut)	Meadows, Mark (R-North Carolina)
Cummings, Elijah E. (D-Maryland)	Michaud, Michael H. (D-Maine)
DeFazio, Peter A. (D-Oregon)	Napolitano, Grace F. (D-California)
Fattah, Chaka (D-Pennsylvania)	Nunes, Devin (R-California)
Green, Gene (D-Texas)	Pingree, Chellie (D-Maine)
Griffin, Tim (R-Arkansas)	Pittenger, Robert (R-North Carolina)
Hahn, Janice (D-California)	Posey, Bill (R-Florida)
Hastings, Alcee L. (D-Florida)	Price, David E. (D-North Carolina)
Himes, James A. (D-Connecticut)	Rangel, Charles B. (D-New York)
Holding, George (R-North Carolina)	Ross, Dennis A. (R-Florida)
Honda, Michael M. (D-California)	Ruppersberger, C.A. Dutch (D-Maryland)
Israel, Steve (D-New York)	Ryan, Tim (D-Ohio)
Johnson, Bill (R-Ohio)	Schiff, Adam B. (D-California)
Johnson, Eddie Bernice (D-Texas)	Schwartz, Allyson Y. (D-Pennsylvania)
Johnson, Henry C., Jr. (D-Georgia)	Scott, Robert C. “Bobby” (R-Virginia)
Jones, Walter B., Jr. (D-North Carolina)	Smith, Adam (D-Washington)
Keating, William (D-Massachusetts)	Tonko, Paul (D-New York)
Kennedy, Joseph P. (D-Massachusetts)	Wasserman Schultz, Debbie (D-Florida)
King, Peter T. (R-New York)	Watt, Melvin L. (D-North Carolina)
Latta, Robert E. (R-Ohio)	Westmoreland, Lynn A. (R-Georgia)
Lipinski, Daniel (D-Illinois)	Wilson, Frederica S. (D-Florida)
LoBiondo, Frank A. (R-New Jersey)	Wittman, Robert J. (R-Virginia)
Loebsack, David (D-Iowa)	Wolf, Frank R. (R-Virginia)
Maloney, Carolyn B. (D-New York)	

Los Angeles completes 53-foot dredging project

The Port of Los Angeles announced this month that it has completed a 10-year, \$370 million dredging project at the Port. The project involved the deepening of the Port’s 45-foot Main Channel, West Basin Channel and East Basin Channel to a depth of 53 feet.

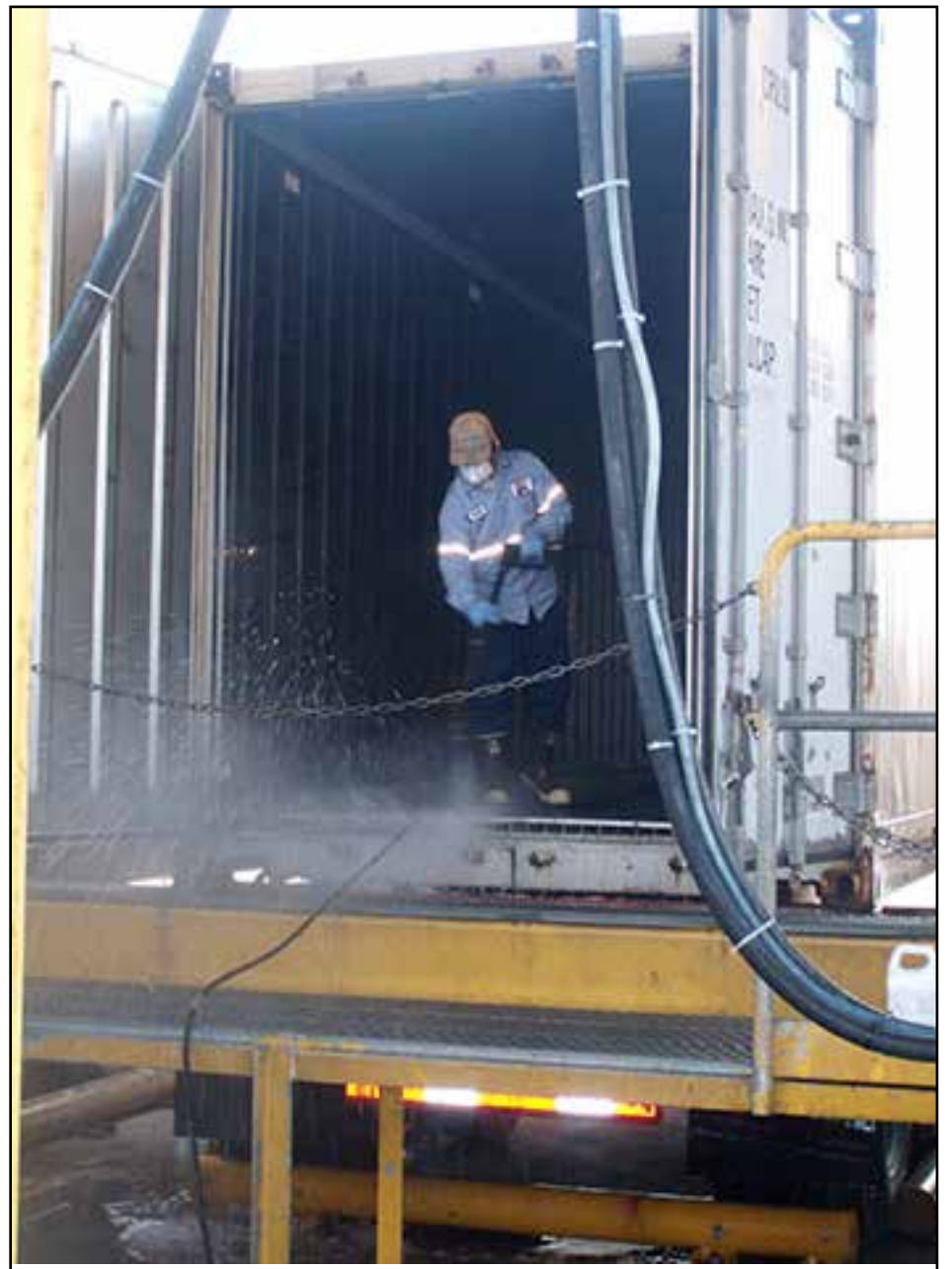
“The Port of Los Angeles is a critical economic engine to the Los Angeles region,” said Los Angeles Mayor Antonio Villaraigosa. “Completion of this project means that the Port will remain competitive globally, and continue to be a strong source for jobs and regional revenue growth for years to come.”

“Our nation’s ports are the backbone of our country’s economy,” said Congresswoman Janice Hahn (D-California). “Now that this dredging project is complete, America’s Port will have the ability to accept the new, larger cargo vessels. Our increased competitiveness will strengthen our regional and national economies, resulting in job creation in my district and across the country.”

During the course of the project, the United States Army Corps of Engineers generated and relocated 15 million cubic yards of dredge materials to various sites throughout the Port. Some of that material was used to construct the 104-acre Cabrillo Shallow Water Habitat, providing a replacement habitat and feeding area for fish and marine birds in the outer harbor.

“Completion of the Main Channel Deepening Project has been our single-most, important infrastructure project,” said Port of Los Angeles Executive Director Geraldine Knatz. “We’re grateful for the work of the U.S. Army Corps of Engineers and everyone on the Port team who helped bring this critical infrastructure priority to fruition.”

The Port’s container terminal tenants rely on the Port’s deep channels to move cargo. Container terminals generate about 74% of Port revenues and help facilitate hundreds of thousands of direct and indirect jobs throughout Southern California. In addition to the recently completed dredging project, the Port of Los Angeles is in the midst of a five year, \$1.3 billion Capital Improvement Program to modernize and upgrade terminals, to increase rail capacity and improve roadways in and around the Port.



SUP member Tom Koppel finishes the last of the high pressure hose work in a reefer container at APL’s Middle Harbor Terminal in Oakland.

ILA ratifies contract with East Coast employers

Members of the International Longshoremen’s Association (ILA) on April 9, approved a six-year Master Contract with the United States Maritime Alliance (USMX), an alliance of container carriers, direct employers and port associations along the East and Gulf Coasts of the United States. The contract agreement ends more than a year of negotiations between the two sides.

With the assistance of the offices of the Federal Mediation and Conciliation Services, both the ILA and USMX negotiated well beyond the original contract deadline of September 30, 2012, agreeing to a series of extensions along the way to keep cargo moving at the ports and to continue to negotiate rather than engage in a strike or lockout, which would have had a serious impact on commerce.

In addition to the Master Contract with the USMX, ILA members also voted on local agreements, including an agreement between ILA members working at the Port of New York and New Jersey and the New York Shipping Association, which was approved by a three-to-one margin.

ILA members working at the Ports of Baltimore, Philadelphia and Hampton Roads were not able to reach a local agreement but will be permitted to continue negotiating. It is expected that all three Ports will complete their local agreements by the end of the month.

The new Master Contract agreed to includes wage increases of \$3 per hour, which will be spread out over the life of the agreement. That increase will bring the hourly rate for ILA members to \$35 per hour. In addition, lower tiered workers will receive a higher wage percentage increase as their pay progression scale was shortened from nine years down to six years. For example, a new ILA member earning a base pay of \$20 per hour at the start of the new contract will earn \$35 per hour by the end of the last year of the agreement.

“On behalf of ILA members and officers at all ports, we’re thrilled this Master Contract was ratified by an overwhelming margin,” said Harold J. Daggett, ILA President and Chief Negotiator. “We all worked very hard, achieved landmark improvements and protected our members and our union for many years.”

One major area of protection was contract language that strongly protects ILA workers who have been displaced due to new technology and automation. In the new agreement, Daggett won job guarantees for those ILA members displaced and a joint management ILA committee to continually examine automation’s effect on the ILA workforce.

In other areas related to job protection, the ILA successfully negotiated terms that will restrict the outsourcing or subcontracting of ILA jobs to non-ILA employers. Specifically, the ILA will preserve its chassis maintenance and repair jurisdiction and expand major damage criteria to protect even more jobs.

ESU Office Assignments

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

ESU NEWS

APRIL 2013

Official Publication of the Exxon Seamen's Union

ESU smaller but still effective and necessary

On March 28, of this year, the Exxon Seamen's Union marked the 73th anniversary of its founding in 1941. As we take note of another passing anniversary, it is essential for the Union and the membership to reflect upon our past and certainly upon the security of our future.

Without question, the ESU membership rolls are now at an all time low due to the significant decline in the number of ships in the SeaRiver fleet. With the reduction of vessels there is a corresponding loss of jobs and consequently, ESU members. Over the past 10 years the number of ESU members lost is striking when you consider there were 278 members at the beginning of 2003 and today the membership has a total of 95 members. At present, we expect our membership numbers to remain around the current level but could go up slightly or down depending on the number of vessels in active service. Even though the two new Liberty Class vessels are scheduled to enter service next year, it is expected that those two ships will most likely replace existing tonnage.

Despite the downturn in our industry, due mostly to declining Alaska North Slope oil, the ESU has maintained strong support from its members and today union membership continues to be at an all time high despite working under an "open shop" system. Current membership is still above 98% which is probably the highest level in ESU history. In fact, there are only two unlicensed employees that choose not to be a part of our proud organization. Certainly, the ESU membership is smaller by historical comparison, but despite the reduction in numbers, the ESU membership continues to recognize that the Union is still effective and necessary in order to have and maintain a voice that speaks to the desire to improve upon working conditions, pay and paid leave which is the same desire as those unli-

censed mariners that formed the ESU so many years ago.

Anticipating membership loss, the ESU Board has been constantly reviewing ways to operate more efficiently and the Union office has reduced our expenses without significant cuts in the service that we provide to our members. The Union is currently in good financial shape for the time being but as we all know the future is not always predictable. Probably the single most important driver concerning Union expenses directly relates to the state of the Union/Management overall relationship. If the relationship is one of cooperation and mutual respect then problems most likely are minor and can be resolved without either party incurring significant loss of time and resources.

For over the past decade the Union/Management relationship has been for the most part on good terms as evidenced by the ESU and SeaRiver management successfully negotiating sound Contracts (four, 3-year Agreements) since 2002 without any major stumbling blocks during the process. Our recent success may even leave some to think (management) that our relationship has been so good that the ESU is not even necessary anymore and those ESU members would be just as well off without a Union or possibly even better.

Certainly these type of thoughts or suggestions, in the opinion of the ESU, are totally ridiculous and akin to committing worker suicide. Although working conditions at SeaRiver have improved since 2002, it was not that long ago when the ESU membership overwhelming authorized a Strike Vote prior to bargaining in 2001 along with informational picketing at the Exxon building at 800 Bell Street. These actions were in response to the anemic Wage Reopener offer from management in 2000 that was also overwhelmingly rejected by the member-

ship in a fleet wide vote. ESU members eventually received a reasonable pay increase of 9% on all wage related items for the 2-year period 2000-2001 but this could not have been achieved without the Union. During this time period the ESU certainly believes that management did not have the membership's best interest at heart and in this case the ESU, along with staunch membership support, was without a doubt very instrumental in gaining a fair pay increase. Incidentally, the ESU has chosen to bargain all wage increases up front during Contract negotiations in recent years in order to avoid a situation like in 2000 where the Union had very little leverage to bargain a reasonable pay increase through a Wage Reopener that

was non-strikeable.

The ESU has faced numerous challenges over the years where we can reflect upon as evidence of why the ESU is of the utmost importance to the unlicensed workers at SeaRiver Maritime. ESU members have seen too much over the years to forget our history and are to savvy to be lulled into thinking they would be better off without their Union. Even though working conditions and pay have improved and the Union/Management relationship appears to be in balance at the present, this could all change quickly if a ruthless management team reappeared like the one that ran Exxon Shipping in the 1980's. This is one part of our history that we should all hope does not repeat itself.

ExxonMobil GUL insurance premiums suspended

Due to favorable claims experience, ExxonMobil Group Universal Life Insurance (GUL) premiums will be suspended for approximately four to six months beginning in May. If you are a GUL participant, premium deductions will continue to show on participants' pay statements; however, they will be offset by a corresponding "negative deduction" resulting in a net zero premium. It is anticipated that the suspension will last four to six months, however, it could be shorter or longer depending on claims experience during the same time period.

Dennis Wright retires

On March 31, Dennis Wright, Cook in the Ocean Fleet elected to retire with nearly 28 years of Company service. Dennis began his career with Exxon Shipping Company in May of 1985 first sailing aboard the Exxon Charleston.



Dennis's first assignment was Able Seaman and he was promoted to that position in short order after demonstrating he was more than a capable member of the Deck Department. He continued to sail AB on numerous ships in the fleet during the first part of his career but in 2003 Dennis decided transfer to the Steward's Department by accepting a promotion to the rating of Cook. Dennis grew up in the restaurant business and this provided an opportunity to revisit the Culinary Arts. He excelled within the Department and on occasion did an excellent job as Fleet Chef during step-up assignments.

Since his retirement began, Dennis has been working to finalizing all the necessary paperwork with the Company before a trip to Connecticut from his current home in the Houston area. His initial plans include putting his boat in the water for fishing trips and taking his motorcycle out for a few road trip adventures. Longer term, Dennis plans to make a move to the retirement state of Florida and purchase a home there, something close to the sea.

The Union would like to take this opportunity to thank Dennis for his contributions and support of the ESU and we wish him all the best during his retirement years. Congratulations Dennis!

Ship reports

S/R American Progress

In early April the *Progress* caught a break from her normal run to the Puget Sound by calling on the Port of Los Angeles. ESU Board officer Leo DeCastro visited the vessel while discharging at the Tesoro dock. Regular Ship Rep. Michael Harrison aboard and reports everything going smooth. After loading in Valdez, the vessel is scheduled for the Puget Sound next trip followed by a trip to the San Francisco Bay area in early May.

Kodiak

Board officer John Straley paid a visit to the vessel on April 6, at anchor in Port Angeles, WA. Regular Ship Rep. Joe Butler aboard and reports everyone has been busy preparing for the upcoming shipyard period in Singapore. The crew had just completed a week in PA conducting rafting and in-tank steel surveys. SeaRiver Vice President, Jon Evans was aboard the vessel and held an open forum with the ship's crew with words of thanks for continuing top-notch safety performance in the Fleet. The *Kodiak* departed PA on the 8th for the 3 week trans-Pacific crossing to Singapore and should arrive around the end of the month.

Sierra

The vessel was also in Port Angeles at the City Dock and was visited by the ESU on April 5. Jon Evans met with crewmembers here on the 5th. Thanks to Jeff Harris for filling in as Ship Rep. Regular Ship Rep Thor Floreen joined the vessel in Los Angeles after the vessel discharged at El Segundo on the 17th. The vessel is scheduled to call on Chevron Richmond in early May. The *Sierra* will also be heading off to the shipyard during the summer, departing ANS service tentatively in July.

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

EXXON SEAMEN'S UNION

Founded March 28, 1941

Affiliated with the Sailors' Union of the Pacific

P.O. Box 754, Seabrook, TX 77586

Tel (832) 295-3047 Cell (713) 306-9528 Fax (832) 201-0441

E-Mail: esusea@sbcglobal.net

President/Secretary John Straley

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Deck Trustee Kevin Conroy

Engine Trustee William Ackley

Steward Trustee Kurt Kreick

Aussie wharfies fight for dock safety code

Australians are much more likely to be killed on the docks of Oz than while serving in Afghanistan, the Maritime Union of Australia (MUA) said this month.

The MUA indicated that six dockers were killed in six years, of 14.3 workplace deaths per 100,000 workers per year, in contrast with 38 defense force deaths, all in Afghanistan, or an average of 6.3 deaths per 100,000 over the same timespan. The Union issued its statistics as the latest weapon in its continuing fight for a national stevedoring safety code. It held national rallies late last month outside the Australian Logistics Council (ALC) offices in Sydney, Melbourne, Brisbane, Adelaide, Darwin and Devonport, Tasmania. Also, dockers in Fremantle refused to work a vessel they said did not comply with minimum safety standards.

Shipping Australia and stevedoring employers oppose such a code as currently proposed. The Logistics Council and Dubai Ports World have urged the government to intervene in the dispute.

“The government now says it is costing the code,” Warren Smith of the MUA said. “They are putting a cost on workers’ lives,” he declared. “Workers are 14 times more likely to get killed in stevedoring than in any other industry.”

The ALC has warned that the code would add to labor costs because it would require “an extra safety official on every crane serving every ship”.

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

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Welfare Notes

April 2013

Member Assistance Program

The Member Assistance Program is a confidential, professional resource that is provided by your Trust Fund. It includes a staff of counselors, psychologists and other professionals to help Members and their dependents resolve personal problems. The services are provided by Human Behavior Associates, Inc.

Human Behavior Associates is a private firm that specializes in providing employee counseling and assistance programs. The staff includes psychologists, clinical social workers, marriage and family therapists and addictions counselors.

All contact between employees and the Member Assistance Program is strictly confidential. Your Trust Fund has contracted with Human Behavior Associates to provide a specific number of no-cost counseling sessions. For continued treatment you will be referred to your medical plan. Be sure to enroll in a medical plan. There may be charges for continued treatment.

To request help call 1-800-937-7770 or collect at 707-747-0117. The help line is available 24 hours per day. The program staff will refer you to the appropriate resource for your issues. You will be referred to local counselors and treatment centers, self-help programs and other sources for immediate assistance.

You can also contact Human Behavior Associates, Inc on line at www.callhba.com.

- Michelle Chang, Administrator mcsupsiupd@sbcglobal.net
- Patty Martin MPP & 401(k) Plans, Death Benefits martinpatty59@sbcglobal.net
- Virginia Briggs Claims vbriggs80@sbcglobal.net
- Michael Jacyna Eligibility mjacyna67@sbcglobal.net
- Training Representative Berit Eriksson 415-957-1816 berittrainrep@sbcglobal.net
- Phone Numbers: 415-778-5490 or 1-800-796-8003 Fax: 415-778-5495
- SIU-PD Pension 415-764-4987 & SIU-PD Supplemental Benefits 415-764-4991
- Seafarers Medical Center 415-392-3611

Tug sinks off of Big Sur, Calif.

The Coast Guard received a distress called from the tug *Delta Captain* at 2:55 p.m. on April 13, and immediately launched rescue crews; a 47-foot Motor Life Boat from Station Monterey, the Coast Guard Cutter *Sockeye*—an 87-foot Coastal Patrol Boat homeported in Bodega Bay—and an HH-65 *Dolphin* rescue helicopter from Air Station San Francisco. The rescue helicopter crew located the survivors of the *Delta Captain* and deployed a rescue swimmer to hoist them aboard. All four were transported to shore in Monterey, and transferred to awaiting emergency medical technicians. There were no reports of injuries.

The tug *Delta Captain* sank and may still be attached via towline to the barge. Coast Guard response crews are on scene and the recovery effort is underway. In addition, two tugs are en route to the scene to tow the barge.

The Coast Guard and the Department of Fish and Wildlife Office of Spill Prevention and Response have set up an incident command post at Coast Guard Sector San Francisco, located on Yerba Buena Island.

Republicans and Democrats support Food for Peace

COMMITTEE ON FOREIGN AFFAIRS
 CHAIRMAN: Subcommittee on the Middle East & North Africa
 SUBCOMMITTEE ON Weapons Proliferation
 COMMITTEE ON RULES
 www.rules.house.gov

Congress of the United States
 House of Representatives
 ILEANA ROS-LEHTINEN
 27TH DISTRICT, FLORIDA
 April 5, 2013

PLEASE RESPOND TO:
 2205 Rayburn House Office Building
 Washington, DC 20515-0518
 (302) 225-3631
 Fax: (302) 225-5520
 http://www.house.gov/iro-lehtinen

DISTRICT OFFICE:
 4980 SW 72 Avenue
 Suite 208
 Miami, FL 33155
 (305) 666-2285
 Fax: (305) 668-6370

President Barack Obama
 The White House
 1600 Pennsylvania Avenue, N.W.
 Washington, DC 20500

Dear Mr. President:

I write today to express my concern over your Administration’s latest proposals to change the U.S. Department of Agriculture’s Food for Peace Program, also known as Public Law 480, away from in-kind food assistance. Although I support the United States’ role in combating famine around the world, I am concerned that the reported changes your Administration is considering making to this vital program will do more harm than good.

As you know, the United States is the single largest donor of food aid in the world, providing considerable humanitarian assistance to those who are poor and hungry. Yet, along with saving millions of lives overseas, the Food for Peace Program is also critical to supporting employment among U.S. farmers and merchant mariners. In fact, when President Eisenhower signed into law legislation authorizing the program, he explained that the purpose was to “lay the basis for a permanent expansion of our exports of agricultural products with lasting benefits to ourselves and peoples of other lands.” However, your Administration is reportedly considering changing the Food for Peace Program from in-kind food assistance to cash grants, or purchasing food from foreign suppliers. While it is imperative that measures be taken to improve the program, your Administration should instead focus on greater coordination, transparency, and accountability among the agencies that administer this program. Eliminating in-kind food assistance will be disastrous for many U.S. jobs and the domestic sealift capacity provided by the U.S. Merchant Marine, on which our U.S. military depends. The Food for Peace Program can, and should, continue to both benefit numerous communities throughout the U.S. while helping meet humanitarian food needs across the globe.

I urge your administration to reconsider shifting the U.S. Department of Agriculture’s Food for Peace Program away from in-kind food assistance, and instead make proper and adequate adjustments so that the United States can continue to help those overseas while also protecting jobs here at home.

Sincerely,

 Ileana Ros-Lehtinen
 Member of Congress

PRINTED ON RECYCLED PAPER

BRIAN HIGGINS
 25th District, New York

COMMITTEE ON HOMELAND SECURITY
 SUBCOMMITTEE ON Counterterrorism and Intelligence
 SUBCOMMITTEE ON Emergency Preparedness, Response, and Communications

Congress of the United States
 House of Representatives
 Washington, DC 20515-3226

1405 Republican House Office Building
 Washington, DC 20515
 (202) 225-4326
 (202) 225-6347 (H.A.)

135 Exchange Street
 Suite 402
 Burlington, NY 12510
 (518) 862-8001
 (518) 870-2629 (FAX)
 680 Plaza Place
 Syracuse, NY 13210
 (315) 482-1234
 (315) 482-2676 (FAX)
 bjhiggins@house.gov

April 8, 2013

President Barack Obama
 The White House
 1600 Pennsylvania Avenue, NW
 Washington, DC 20500

Dear Mr. President:

I respectfully write today to add my support for the continuation of the Food for Peace program and ask that you maintain level funding for this program in your fiscal year 2014 budget request to Congress.

The United States has been a global leader in recognizing the critical necessity of nutrition, food security, and humanitarian aid in the face of disaster. Food for Peace has provided food and assistance to more than 3 billion people worldwide and proven itself to be one of our nation’s most effective tools of diplomacy.

In addition to providing humanitarian aid worldwide, Food for Peace supports thousands of American jobs. By using food sourced by U.S. farmers and shipped to every corner of the globe by U.S. merchant mariners, Food for Peace not only demonstrates our American values, it supports two vital sectors of our economy, in addition to numerous logistical and administrative support staff needed to effectively carry-out this humanitarian mission.

As continued U.S. leadership and investment is vital to providing food and assistance worldwide, maintaining American jobs, and even leveraging developing countries and private industry to invest their resources in this effort, thank you for your consideration of maintaining level funding for the Food for Peace program in your FY14 budget request to Congress.

Sincerely,

 BRIAN HIGGINS
 Member of Congress

PRINTED ON RECYCLED PAPER

Report of the SUP Balloting Committee on the 2013 SUP Election challenge of Paul Calais

March 14, 2013

Committee Members in attendance: Diane Ferrari, John Linderman, Art Thanash, Romaine Dudley, Dave Larsen. For the Union: Dave Connolly, Vice-President

The SUP Balloting Committee met on Thursday, March 14, 2013 to consider a challenge brought by Paul Calais to the 2013 SUP election. The challenge was referred to this Committee by the membership at the March 11, 2013 Headquarters membership meeting. Under Article XII of the SUP Constitution, the Committee convened to hold a hearing and after due consideration now issues this report for membership review and action. The hearing was announced in the March 11, 2013 membership meetings and notice was emailed to the Branches on March 7, 2013.

Although the Committee noted that the challenge was timely since it arrived at SUP HQ within 30 days of the Balloting Committee's original report certifying the results of the election, the challenge was inappropriately sent by United States Postal Service Express Mail and not sent by certified mail as is required by Constitution. The Committee declared the challenge to be procedurally deficient in this regard, and therefore technically invalid at the outset, and with that understanding nevertheless proceeded to investigate the merits of the allegations made in the challenge.

The investigation included a thorough review of the challenge itself. The Committee noted that no evidence supporting the claims made in the challenge was presented at the hearing or attached to the challenge. Next, the Committee received and evaluated the attached statements of the Impartial Balloting Agent Robbin Johnson of Pacific Election Services and the editor of the *West Coast Sailors* Teresa Anibale. The Committee also reviewed the report of the Committee on Candidates published in the *West Coast Sailors* in September containing the names of all the nominees. The Committee further reviewed the report of the Committee on Election of those nominees that accepted the nomination which set the field for the election and was published in the October *West Coast Sailor* a month before the appearance of the Election Supplement of the in November *West Coast Sailors* (which the Committee also reviewed.) Finally the Committee heard testimony from SUP Vice-President Dave Connolly who presented the Union position on the challenge. There were no other members in attendance and accordingly no other testimony.

The first basis for the challenge is the charge that "many members claim they did not get their ballot. Or got the wrong ballot." The Committee found that most members did get their ballots. The total number of ballots mailed was 1019, 537 actives and 482 pensioners. Total ballots cast was 562 or a little more than 55% turnout. There were 93 duplicates re-mailed for members whose address had changed or who were employed on ships where receiving regular mail was not possible. Of the 1019 ballots that were mailed an estimated 40 were returned as undeliverable and some of those were picked up in the re-mailing. Therefore, despite turnout of only 55%, the evidence suggests that substantially all SUP members received a ballot. A Committee member noted that he and the SUP crew of an SZX ship had received valid ballots at a New York port call.

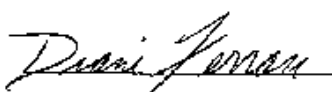
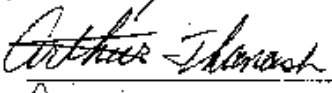
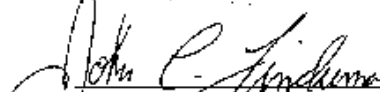

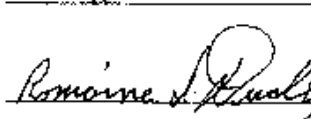
On the charge of specific ballot error, the Committee noted an error of transposed lists made by the mailing service of Pacific Election Services, where pensioners received active member ballots and actives received pensioner ballots. However, the Committee found that the actions taken to remedy that mistake were adequate. Those actions included a second mailing to active members that included the two missing propositions (on dues and on publication of the membership status in the *West Coast Sailors*), and an adjustment to the vote counting machine on Election Day such that pensioner ballots were counted only for candidates and the quorum proposition. According to the attached statement from the Impartial Balloting Agent, the second mailing was complete within seven days of the original mailing and the pensioner ballots were processed and counted separately "so that the ballot items each was allowed to vote on was counted correctly." In addition, Pacific Election Services provided the SUP with undelivered ballot information and re-mailed ballots to members who stated they had not received their ballot. Pacific Election Services also sent ballots to members on ships as requested. In the professional opinion of the Impartial Balloting Agent "the election results were generated and posted as per SUP bylaws."

The next allegation in the challenge is that SUP President Gunnar Lundeberg, despite knowing of problems with Pacific Election Services, continues to support the selection of Pacific Election Services for undefined reasons that are untrustworthy. The Committee noted again that no evidence was submitted to support the claim. On inspection of the report of the Committee on Election, the facts indicated to the Committee that Pacific Election Services was selected as the Impartial Balloting Agent by the SUP members of that committee, independently of any union official including President Lundeberg. Pacific Election Services and its predecessor company have serviced SUP elections since 1988, and contrary to the claim in the challenge, have done so without incident. Finally, President Lundeberg has no economic interest in Pacific Election Services and by his own account did not know of any problems with Pacific Election Services in the past, which is based on the fact that there were no problems with Pacific Election Services in the past. Accordingly, the Committee found this claim to be without basis in fact and an unwarranted attack on the integrity of President Lundeberg.

The final allegation made in the challenge is that the publication of the Election Supplement to the *West Coast Sailors* was not timely to the degree that it prevented the membership from having adequate time to absorb the statements of the candidates and reflect on their messages. The Committee found that there was, in fact, a delay in the printing of the *West Coast Sailors* in the month of November. In the attached memo from Teresa Anibale, Editor of the *West Coast Sailors*, a thorough timeline and explanation shows that the delay was due to a necessary change to a new printer

(Commerce Printing, the old printer, Howard Quinn, having gone out of business) coupled with the interference of the Thanksgiving holiday weekend. The *West Coast Sailors* was sent to Commerce Printing on November 21 and Commerce went to press on November 28. Commerce finished the job and mailed the issue on December 3, or slightly less than a week later than normal. Given that the SUP election has a two month balloting period from December 1 through January 30, the Committee viewed the delay as minor and did not agree with the charge that the *WCS* mailing was late enough to impact the election. The *West Coast Sailors* and the ballots were mailed at roughly the same time. Also, the *West Coast Sailors* and the Election Supplement was uploaded to the SUP website and was available for viewing on November 21. Furthermore, the candidate field was set in October with the report of the Committee on Election which was published that month in the *West Coast Sailors*. Even if we were to assume, for argument's sake, that the delay interfered with voting, the margin of defeat in the challenger's own race was in the eyes of the Committee far too wide for the outcome to be any different.

After due consideration of all of the facts, the Committee finds the challenge deficient both procedurally and on the merits and herewith dismisses the challenge.

 Diane Ferrari 2251
 Arthur Thanash 3249
 John Linderman # 4094
 Dave Larsen 19078
 Romaine Dudley # 2593

EDITOR'S NOTE:

In accordance with Article XII, Section 13, of the SUP Constitution: "The Balloting Committee's decision shall be in writing and state the reasons therefore and its decision shall be final and binding."

The attachments referred to in the Committee's report can be viewed by the SUP members at Headquarters and the Branches.

Cost of individual Somali pirate attacks skyrocketed last year

The cost of tackling individual incidents of Somali piracy increased almost threefold last year, despite a sharp fall in the overall bill for the problem as a whole, according to the third annual survey from Oceans Beyond Piracy (OBP). Averaging out all related expenses, OBP calculates that \$82.7 million was spent on each incident in 2012, a staggering 189% increase on \$28.6 million spent the year before. The estimates are based on a tally of 62 attacks including 20 successful hijackings, compared with 189 attacks including 28 hijackings previously. Seen more broadly, however, the overall economic cost of Somali piracy to the world economy fell by 12.6% to between \$5.7 billion-\$6.1 billion year on year.

Last year saw a significant decline, both in numbers of attacks and hostages held by Somali pirates, reducing the absolute cost of piracy by about \$1 billion compared with 2011. However, when considered in relation to the lower number of attacks, the cost of preventing each attack has actually increased. Confirmed ransom payments declined by some 80% to \$31.7 million and a smaller number of vessels were taken and released. Eight ransoms were paid, averaging just below \$4 million.

However, additional costs such as ransom delivery, damage to vessels during captivity and fees for lawyers and negotiators gave an overall total under the ransoms and recovery heading of \$63.5 million.

The bill for military operations came in at nearly \$1.1 billion, including use of spotter planes, vessel-protection detachments and administrative costs for naval operations. Security equipment and guards cost the industry in the region of \$1.6 billion-\$2.1 billion. The cost of security equipment fell 11%, but the cost of private armed guards was up at \$1.1 billion-\$1.5 billion.

Rerouting along the Arab Peninsula and Indian coast to avoid the high-risk area cost shipping companies \$290.5 million, down just over 50% on 2011, although the number of ships rerouting fell by only 10%. The cost of fast steaming through the high-risk area fell 43.3% to \$1.5 billion. Increased compensation to maritime labor, including hazard pay and compensation for captivity, amounted to \$471.6 million. Prosecutions and imprisonment cost an estimated \$14.9 million, a fall of 9%. Insurance costs related to piracy declined 13%, from \$635 million in 2011 to \$550.7 million in 2012.

Expenses for counter-piracy organizations, including UN agencies and non-governmental organizations, totaled \$24.1 million.



SUP President's Report

April 8, 2013

FOOD FOR PEACE

The SUP, as part of a broad coalition of maritime Unions, shipping companies, agricultural interests and charitable groups is fully engaged in an effort to block an Obama Administration budget proposal for fiscal year 2014 to end the nearly 60-year practice of buying food from American farmers and then transporting the cargo abroad to developing countries in U.S.-flag ships.

In its place the Administration is proposing that the government buy food in developing countries instead of shipping food from American farmers overseas – a proposal that is not in the national interest or the interest of the membership of the SUP.

The SUP, in conjunction with others, continues to reach out to Members of Congress to spread the word that the radical change sought by the Administration will eliminate vital U.S. mariner jobs, stunt the country's sealift capacity, and severely damage the U.S. Merchant Marine.

As reported last month, a bipartisan group of 21 Senators wrote to President Obama on February 20, requesting that he maintain funding for Food for Peace.

Last week, on April 5, a bipartisan group of 29 members of the House of Representatives sent the following letter to Obama on the same subject:

President Barack Obama

The White House

1600 Pennsylvania Avenue, NW

Washington, DC 20500

Dear Mr. President:

"We write today to affirm our strong support for the continuation in its current form of the "Food for Peace" program created by Public Law 480, and we ask that you maintain level funding for this program in the budget request you present to Congress for the Department of Agriculture for fiscal year 2014.

Since 1954, Food for Peace has enabled the United States to play a leading role in responding to international food assistance needs and ensuring global food security. In recent years, Title II of Food for Peace, which is administered by the U.S. Agency for International Development, has become the largest vehicle for U.S. international food aid shipments. Under Title II, U.S. agricultural commodities are shipped to developing countries to provide emergency relief to those facing food shortages and to support broader development objectives. In fiscal year 2011, Food for Peace donated approximately 1.5 million metric tons of U.S.-grown Title II emergency and development food aid to more than 46 million food-insecure people in 48 countries including Kenya, Ethiopia, Bangladesh, and Afghanistan.

Food for Peace is also critical to supporting employment among U.S. farmers and merchant mariners. The purchase of food from U.S. farmers and its subsequent shipment on U.S.-flagged vessels has helped support U.S. farm production and preserve the U.S. merchant marine. Reductions in funding for this program - or changes in how it operates - would significantly reduce the amount of U.S. farm products our nation could provide to those in need around the world. It would also threaten our national security preparedness by reducing the domestic sealift capacity on which our U.S. military depends.

We look forward to working with you to support U.S. farms, U.S. jobs, the U.S.-flagged merchant fleet, and our nation's ability to provide much needed humanitarian and emergency food assistance to the world's least-developed countries by maintaining the Food for Peace Program."

Sincerely,

Duncan Hunter (R-California)

Elijah E. Cummings (D-Maryland)

Charles W. Boustany, Jr. (R-Louisiana)

Corrine Brown (D-Florida)

Cheri Bustos (D-Illinois)

Kathy Castor (D-Florida)

Gerald E. Connolly (D-Virginia)

Renee L. Ellmers (R-North Carolina)

Stephen Lee Fincher (R-Tennessee)

Marcia L. Fudge (D-Ohio)

John Garamendi (D-California)

Bob Gibbs (R-Ohio)

Michael G. Grimm (R-New York)

Janice Hahn (D-California)

Michael M. Honda (D-California)

David P. Joyce (R-Ohio)

Marcy Kaptur (D-Ohio)

Rick Larsen (D-Washington)

Tom Latham (R-Iowa)

Frank A. LoBiondo (R-New Jersey)

Alan S. Lowenthal (D-California)

Gary G. Miller (R-California)

Richard M. Nolan (D-Michigan)

Eleanor Holmes Norton (D-Washington, D.C.)

Nick J. Rahall, II (D-West Virginia)

Cedric L. Richmond (D-Louisiana)

C.A. Dutch Ruppersberger (D-Maryland)

Linda T. Sánchez (D-California)

Don Young (R-Alaska)

President Obama is expected to submit his fiscal year 2014 budget to Congress on April 10. If the onerous provision to defund food aid, thus eviscerating Food for Peace and the jobs it supports remains in the budget, the SUP, again in conjunction with other affected groups, will fight in the halls of Congress to defeat it.

PATRIOT CONTRACT SERVICES

As reported in January, the Union was notified by Patriot that it was considering responding to a Military Sealift Command (MSC) solicitation to operate and maintain a Military Support Vessel.

According to MSC, the vessel will host 50 sponsor personnel with the ability to add an additional 159 personnel for a total of 209. The vessel will be required to maintain sufficient stores onboard to support the crew and 50 sponsor personnel for a minimum of 45 days without resupply, plus have sufficient storage capacity to support at-sea operation of all 209 personnel for a minimum of 45 days without resupply. In addition, the vessel needs to be capable of conducting underway replenishment operations. It shall also support small craft launch, recovery, refueling and resupply, provide force protection and refueling of manned and unmanned rotary wing aircraft.

Last month, Patriot notified the Union that it was definitely submitting a bid for the Military Support Vessel.

On March 25, the Union was notified that the company intended to bid on another MSC solicitation for the operation and maintenance of a Far East-based shallow draft tanker.

In conjunction with the MFOW and Patriot, the SUP has been working on formulating initial bids for both vessels.

So far this year, Patriot has submitted bids to MSC to operate ten vessels: the two previously mentioned plus eight Large Medium-Speed, Roll-On/Roll-Off (LMSR) vessels— *USNS Charlton*, *USNS Dahl*, *USNS Pomeroy*, *USNS Red Cloud*, *USNS Sisler*, *USNS Soderman*, *USNS Watkins* and *USNS Watson* (see the

January issue of the *West Coast Sailors*).

This news must be tempered with the reality of "sequestration" or across the board budget cuts to every federal agency, that went into effect March 1, unless the Congress and President Obama can achieve a compromise.

The Maritime Administration (MarAd) expects double digit percentage cuts in the Maritime Security Program (MSP) and Ready Reserve Force (RRF) budgets. MarAd will continue to make full payments to MSP operators such as SUP-contracted APL Marine Services until the agency's budget constraints will mandate reduced payments. MarAd also anticipates more than 10 of the 46 vessels in the RRF program will be placed in deep Reduced Operating Status (ROS).

The Military Sealift Command is planning on readiness reduction and deferred maintenance. Slated for possible deactivation are the Patriot-operated *USNS Martin*, *USNS Gilliland*, *USNS Gordon*, *USNS Shughart* and *USNS Yano*.

MATSON NAVIGATION COMPANY

In accordance with Article XVII of the SUP Constitution, a Negotiating Committee to bargain with Matson will be elected at the May 13, Headquarters meeting. The current Agreements (Offshore, Maintenance and Extra Maintenance) with the company expire on June 30.

As provided for in Section 36 of the collective bargaining agreements and in compliance with federal labor law, the SUP, MFOW and SIU-Marine Cooks, which comprise the SIU Pacific District, will send written notice to the company by the end of the month expressing our desire to amend the current Offshore contract. By separate letter, the SUP will notify Matson of the Union's desire to amend the Maintenance and Extra Maintenance Agreements.

Members are urged to send bargaining proposals to Headquarters for review by the Negotiating Committee.

SAN FRANCISCO BAR PILOTS

In accordance with the 2012-2013 Agreements between the SUP and the San Francisco Bar Pilots covering Marine Personnel and Dispatchers, notified the Pilots of the Union's desire to amend the current Agreements, both of which expire on June 30.

Caucuses are in progress to solicit negotiating proposals from the membership employed by the Pilots.

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 2013, 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 13, at 8:00 A.M.

ACTION TAKEN

Quarterly Finance Committee – Nominated and elected: Diane Ferrari, Romaine Dudley, Art Thanash, Kaj Kristensen and Dave Frizzi.

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

Gunnar Lundeberg



AB's John Pancho and Phil Romei with Bosun Jon Rose work to secure the gangway net at the rail of the APL Korea in Oakland, this month.

Vice President's Report

April 2013

President Truman: Charlie Sheldon, delegate. Clarifications on watch tie-up minimum mechanics: on watch after 1700 and before 0800 it's one hour OT and time worked. If the work exceeds the watch a two hour minimum is triggered. Overtime claim in lieu of coffee during pirate watch no good. Delegate and new crew did a great job handling new and difficult situations. MFOV VP Bill O'Brien made the ship on arrival in New Jersey and reported no beefs. As the *West Coast Sailors* goes to press APL reported the decision to send these magnificent ships, the C-10's, to the breakers this summer marking the end of an era. First to go will be the Adams in June, followed by the Jackson, Truman and Polk by the end of July. The contraction is related to the winding down war effort overseas and has many historical precedents.

President Polk: Forrest Jackson, delegate. Low cargo rate payable only for that sanitary listed at the end of Section 17. On overtime hours such work is paid at the overtime rate.

Mississippi Voyager: Rey Clores, delegate. In good shape at Richmond Long Wharf with Ron Gill as the bosun. Ship headed to a Singapore yard after the Florida.

Florida Voyager: Bill Fisher, delegate. In at Richmond Inner Harbor with no problems.

Manoa: Duke Maringer, delegate. No problems in Oakland. Discussion on rest hours and bargaining proposals. Peter Johnson is the bosun.

Mokihana: Alvin Thompson, delegate. Discussion on pension and bargaining issues.

Maunawili: Walter Harris, delegate. Investigation of aft whistle retrofit revived. Management claims existing whistle arrangement meets CFR and OSHA standards.

APL Singapore: Michael Bloemhof relieved Allen Gonzales as delegate. Clarification on cargo time, delayed sailing, and lifeboat drills. Dave Mercer is the bosun.

APL Japan: Roger Berioso, delegate. Big crew change out in New Jersey. The only non-MSP ship to survive (for now) on the SZX run.

APL Agate: pierhead jump for crew member who had to get off due to family emergency.

APL Korea: Dennis Belmonte, delegate. In at Oakland with no problems.

APL Philippines: Gary Thompson, delegate. Investigating garbage handling policy.

APL Coral: Cody Clark, delegate. Headed to a shipyard in China. Clarification on travel.

APL Cyprine: Randy Fogle, delegate. Lifeboat davit failure in shipyard.

Dave Connolly

Russian skipper fails breathalyzer test and is banned from U.S. waters.

The United States Attorney's Office, District of Oregon, announced that the Master of the Adfines East plead guilty to operating a commercial vessel under the influence of alcohol in the Port of Portland. Valeriy Sharykin, 62, a Russian citizen, and captain of a Maltese freighter plead guilty before U.S. Magistrate John V. Acosta.

Captain Sharykin was charged by information with negligent operation of a commercial vessel, a class A misdemeanor. While conducting an official inspection of the vessel on April 8, Coast Guard Port State Control examiners from Marine Safety Unit Portland suspected that defendant, the Master of the vessel, was intoxicated based on their observations of his behavior and smell. Coast Guard law enforcement personnel from Station Portland and Coast Guard Investigative Service responded, used a breathalyzer and took the vessel Master into custody with a Blood Alcohol Content (BAC) that was over four times the legal limit.

U.S. Attorney Amanda Marshall, said, "Operating a 24,000 ton, 602-foot ship with a blood alcohol level more than four times above the limit is beyond reckless, it's potentially deadly. The safety of people, property, and the environment on the Columbia River and all U.S. waterways is a top priority for this office. Those who endanger safety in commercial shipping and maritime will be found and prosecuted. I want to thank the Coast Guard for their prompt and professional investigation of this matter bringing this defendant to justice."

Captain Sharykin was sentenced to two years of probation, including a condition that the defendant is prohibited from sailing in any capacity in waters subject to the jurisdiction of the United States. Defendant also agreed to pay a \$1,000 fine to the court and \$1,000 to a community alcohol treatment facility.

Foreign-flag Carnival to reimburse United States for rescue costs

Carnival Corp., bowing to pressure from Senator Jay Rockefeller (D-West Virginia), said it will reimburse the U.S. for costs related to the breakdowns at sea of its *Carnival Triumph* and *Carnival Splendor* cruise ships.

Although no agencies have requested remuneration, the company has made the decision to voluntarily provide reimbursement to the federal government," Miami-based Carnival said in an e-mailed statement today.

Rockefeller, who heads the Senate Committee on Commerce, Science and Transportation, asked Carnival Chairman and Chief Executive Officer Micky Arsen in a March 14 letter whether the cruise line intended to reimburse the Coast Guard and Navy for expenses responding to an engine room fire on the *Triumph* and a similar incident on the *Splendor* in November 2010.

The *Triumph* had to be towed to port in Mobile, Alabama, without its main power source, leaving 3,100 passengers with limited food and toilet service for several days. In the letter, Rockefeller said the Coast Guard spent \$780,000 on the *Triumph* incident and \$1.54 million responding to the *Splendor*. The Navy spent \$1.88 million on the *Splendor*.

Prosecutors pursue trial for Costa Concordia officers

An Italian judge began hearing a request on April 13, to send the former captain of the *Costa Concordia* and five other ship's officers to trial over the accident which sank the liner with the loss of 32 lives in January 2012. Prosecutors are seeking to have the 52-year-old captain, Francesco Schettino, tried on charges including manslaughter, causing a shipwreck and abandoning ship.

If convicted, he could face 20 years in jail but his lawyer said the case should not go to trial. "This was an accident at work. You cannot criminalize a man because he had an accident while working," Francesco Pepe told reporters during a break in the hearing.

Judge Pietro Molino will also consider whether five other officers should face charges ranging from manslaughter to failure to cooperate with marine authorities.

The luxury liner had just begun a Mediterranean cruise when it came too close to shore, hitting a rock that tore a gash in its hull and causing it to capsize in shallow waters just outside the port of Giglio.

Both Schettino and the ship's owners Costa Cruises were heavily criticized over both the accident and the chaotic night-time evacuation of more than 4,000 passengers and crew. Costa paid 1 million euros (\$1.31 million) to settle potential criminal charges although the payment did not affect civil lawsuits.

The other people who could face trial are bridge officers Ciro Ambrosio and Silvia Coronica, helmsman Jacob Rusli, cabin services manager Manrico Giampedroni and the fleet crisis coordinator, Roberto Ferrarini.

Separately, lawyers for the local government in Giglio said it was seeking at least 80 million euros in damages from Costa. A lawyer for the company, a unit of the world's largest cruise operator, Carnival Cruises, part of Carnival Corp., said it aimed to compensate parties that had suffered.

Another Costa lawyer, Marco De Luca, said the company should be allowed to seek damages for the loss of the cruise liner, a position opposed by lawyers representing victims of the crash. "Apart from the victims, Costa is the one that suffered the most damage. We lost a 500 million-euro (\$655 million) ship," De Luca told the court.

Schettino was held up to ridicule after investigators of the accident said he brought the 951-foot *Concordia* too close to shore in a maneuver meant to "salute" Giglio island, and then left his ship before the evacuation was complete. A coastguard's telephoned order to the captain, "Get back on board, damn it!" became a catch phrase in Italy after the accident prompted a bout of national soul-searching over responsibility and leadership during times of crisis. (\$1 = 0.7635 euros)

SUP Branch Reports

Seattle

March 18, 2013

Shipped during the period: 1 Bosun filled with a B-card; 5 Able Seaman jobs filled by B seniority members; 12 standbys filled by 4 A-cards, 7 B-cards and 1 C-card.

Registered: 2 A cards for a total of 19; 3 B cards for a total of 18; 4 C cards for a total of 6.

Ships checked

The Matson ships *M/V Manoa* and *SS Kauai* called Seattle. The vessels *President Polk*, *APL Coral*, *APL Pearl* and the *USNS Waters* and *USNS Yano* all called for SUP/MFU crew replacements. I attended the Port of Seattle Commission hearing on Commissioner Gayle Tarleton's replacement. Commissioner Tarleton has been elected to the State Legislature. Maritime labor is pleased to have an additional lawmaker sitting in Olympia who understands the maritime industry.

I will be out of the office over the next three weeks. SUP member Rhonda Benoit has volunteered to perform the day to day operations and dispatching of SUP/MFU jobs while I am gone.

Vince O'Halloran
Branch Agent

ATTEND YOUR MONTHLY UNION MEETING

Wilmington

March 18, 2013

Shipping during the period: Bosun: 2, AB: 7, AB Maint: 3, STOS: 2, Standby: 41. Total jobs shipped: 55.

Registrations: A: 37, B: 34, C: 15, D: 5

Ships checked

Mahimahi, Manukai, APL Korea, Mokihana, Manulani, APL Thailand, Mahimahi, Maunawili, APL China, Mokihana, Maunalei.

On February 19, attended the AM-MVMC meeting. We are working on Maritime Day which will be on Wednesday, May 22. Please attend, if you can and let me know if you want lunch we can usually find a seat for everyone.

On March 7, attended the first Harbor Labor Coalition Labor Day Parade Committee meeting of 2013. On March 8, went to Manny Luis' Funeral at the Beth El Temple in San Pedro. John Pitts gave a fine eulogy. Manny was a WWII Merchant Marine Vet and long time member of the AMMVMC. He was a good man and very active in the community.

On February 20, we lost one of our own - Joe Marusak. He was seen knocking off for 1500 coffee. After he didn't show for his watch at 1600, the ship was turned around and the first ship search was conducted. After 24 hours of searching and more ship searches, Joe was "lost at sea" and the *APL Philippines* sadly continued to Yokohama. The Captain and crew went above and beyond during the aftermath and exhibited great professionalism.

As we all know, it is very uncommon to be lost at sea in modern times (on SUP ships). Joe was considered a top notch sailor and shipmate. It is a mystery why and how; we only know where and when. Our hearts go out to Joe's family. We are sorry and we miss him too.

Mark Hurley, Branch Agent

Honolulu

March 18, 2013

Shipped the following jobs in March: 1 Bosun steady, 3 AB Day steady, 2 AB Day relief, 2 AB Watch steady, 1 AB Watch relief, and 1 OS steady. The shipping jobs were filled by 6 A cards, 3 B cards, and 1 C card. Also shipped 13 standby jobs for the month of March. The standby jobs were filled by 4 A cards, 2 B cards, 3 C cards, and 4 D cards.

Registered in March: 5 A cards, 6 B cards, 4 C cards, and 1 D card. To date totaled registered are: 10 A cards, 11 B cards, 8 C cards and 3 D cards.

Ships checked

I visited the *Manukai, Maunawili, Maunalei, Manulani, RJPfeiffer, Manoa, Kauai, Mokihana, Mahimahi*, and the Paint and Rigging gang. All are running smoothly with few or no problems.

I represented the SUP at the Hawai'i Port Maritime Council meeting and the AFL-CIO Executive Board meeting.

The Hawai'i Port Maritime Council is sponsoring the Maritime Ohana Annual Bar-B-Que. This Bar-B-Que is all about the Jones Act. Some of Hawai'i's recently elected state senators and representatives (2 republicans and 3 democrats) have introduced a resolution to exempt Hawai'i from the Jones Act. This Bar-B-Que is labor's way (all labor, not just maritime labor) to show our solidarity and support for the Jones Act and all of the American jobs it creates. All members and their families are invited and strongly urged to attend. There will be food, live music, and beer and wine available. Also, many of Hawai'i's top elected officials have been invited. There is no cost to attend, but there could be a huge cost to all of us if we don't attend and show our support for the Jones Act. Our jobs, our financial and medical security, are just a few of

the things we would lose if the Jones Act is ever repealed. All those interested in going, try and let me know by April 22, so we can plan on how much food and beverages we need to order. Even if you can't let me know by April 22, you are still welcome to come. There is always room for our brothers and sisters at labor's table.

Maritime Ohana Annual Bar-B-Que address:

Disabled American Veterans Bldg.
Harry & Jeannette Weinberg Hall
2685 North Nimitz Hwy.
Honolulu, HI. 96819
April 29 - 5:00 P.M. to 9:00 P.M.
Mahalo,

Mike Dirksen, Branch Agent

Dispatcher's Report Headquarters—March 2013

Deck	
Bosun	5
Carpenter	0
MM	10
AB	10
OS	4
Standby	22
Total Deck Jobs Shipped	51
Total Deck B, C, D Shipped	27
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.	51
Total B, C, D Shipped-All Depts.	21
Total Registered "A"	34
Total Registered "B"	21
Total Registered "C"	19
Total Registered "D"	44

Two charged with manslaughter in Hong Kong ferry disaster

The Hong Kong police on April 11, filed manslaughter charges against the captains of two boats that collided off Lamma Island in October, an accident that killed 39 people in the city's deadliest maritime disaster in more than four decades.

Chow Chi-wai, 56, the captain of the *Lamma IV*, and Lai Sai-ming, 54, the captain of the *Sea Smooth*, were charged with manslaughter in connection with the October 1 disaster, which also left 92 passengers injured.

The *Lamma IV*, a boat belonging to Hong Kong Electric, was carrying more than 120 passengers when it collided with the *Sea Smooth*, a passenger ferry, causing the *Lamma IV* to quickly submerge in the water. Five other crew members of the boats are also facing charges.



Onboard Matson's *SS Kauai* at a BBQ they had on Friday, April 5, the day before arrival in Honolulu are from left: Greg Schauf-AB, Robert Jones-Bosun, Dustin Grobschmit-AB.

Seattle joins Green Marine environmental program

The Port of Seattle has signed on as a participant in Green Marine, the largest voluntary environmental program for the maritime industry in North America, becoming the first United States port outside of the Great Lakes region to join the program.

Green Marine is a transparent and inclusive program that addresses nine key environmental issues including air emissions, community impacts and environmental leadership. The program encourages its participants to reduce their environmental footprint by taking concrete actions. More than 40 environmental groups and government departments and agencies have endorsed and help shape the environmental program, along with representatives from the academic sector and the marine industry.

"Green Marine's goal of continuous improvement is also at the core of our commitment towards sustainability," said Port of Seattle CEO Tay Yoshitani. In 2007, Yoshitani made it an objective to become the cleanest, greenest, most energy efficient port in the nation. Building on existing programs, the Port has since established a reputation as the Green Gateway, offering the lowest carbon footprint for cargo shipped by sea and then rail from Asia to the Midwest.

The Port of Seattle is also working with Port Metro Vancouver and Port of Tacoma to address port-related contributions to air quality and climate change in the Georgia Basin Puget Sound air shed through the Northwest Port's Clean Air Strategy.

Membership and Ratings Committee Report

Met on April 4, 2013, and found the following members eligible for advancement in seniority and rating stamps in the various departments:

Name & Membership Number	Seatime	Rating	Seniority
Mervin Guevarra 19326	1 Year	A.B.	B
Arthur Cafarelli 19327	1 Year	A.B.	B
Alan Abucay 19328	1 Year	A.B.	B

Rating Stamps - None

Membership and Ratings Committee's Report - M/S to concur in the Committee's report. Carried unanimously. Membership and Ratings Committee: John A. Perez #3810, Romaine Dudley #2593, and Frank Portanier #3835.