Official Organ of the Sailors' Union of the Pacific

Friday, August 22, 2003

Aussie maritime workers win landmark victory: cabotage bolstered by court ruling

A landmark decision by the Australian High Court on August 7, has significantly bolstered the case for cabotage in Australia.

No. 8 (TARREST COUNCE) 583

Volume LXVI

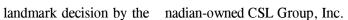
In a unanimous decision, the Court ruled that foreign-flag and foreign-crewed vessels engaged in regular domestic trade on the Australian coast should be subject to the same labor standards—including wages and working conditions—as Australian vessels.

The High Court found that CSL Pacific Shipping, Inc.'s Bahamas-registered and Ukranian-crewed bulk vessel *CSL Pacific* should come under the jurisdiction of the Australian Industrial Relations Commission (AIRC), which now has the power to bind CSL and other foreign-flag operators to Australian rates of pay. (See the May 2002 *West Coast Sailors*.)

The Commission is equivalent to the U.S. National Labor Relations Board (NLRB).

The case was initiated by the Maritime Union of Australia (MUA), the Australian Institute of Marine and Power Engineers (AIMPE), the Australian Maritime Officers Union (AMOU) and the Australian Council of Trade Unions (ACTU) which applied to the AIRC to have CSL Pacific come under its jurisdiction.

CSL Pacific is incorporated in Barbados and is part of the Ca-



The maritime Unions successfully argued that CSL was undermining the jobs of Australian maritime workers and ultimately Australian rail and road transport workers by flagging out two former Australian vessels in the Bahamas, replacing the crew with Ukrainian seafarers on wages and conditions below Australian standards and bringing the ships back to work the Australian coast.

"They're essentially bringing guest workers, exploited world labor, into our domestic transport industry," said MUA National Secretary Paddy Crumlin. "And that undermines the jobs, wage and conditions of all Australian workers. These ships have been exploiting loopholes in the Navigation Act and using single voyage permits to undercut Australia shipping courtesy of the federal government. This decision will have widespread repercussions on all coastal shipping."

"The High Court ruling spelt out that irrespective of what flag a ship flies, what nationality the crew is or what country the shipping company or employer is based in, if the ship is in the Australian coastal trade it comes under the jurisdiction of the AIRC," Crumlin added.

The lawyer for the maritime Unions Bill McNally said the

employment law regulating the operation of foreign ships upon the Australian coast was now settled once and for all.

SAN FRANCISCO, CALIFORNIA

"The extraordinary thing is that the Australian government, who intervened in the case, chose to support foreign ship owners not Australian workers. It is to be hoped that those responsible for the unpatriotic decision rethink their position," he said.

The Unions successfully argued their case in the Australian Industrial Relations Commission in September last year. But CSL, backed by the Australian Government, appealed the decision in the High Court. The unanimous decision of all seven judges on the full bench confirms the AIRC jurisdiction.

Hailing the decision ACTU President Sharan Burrow said, "Instead of supporting these foreign companies, the federal government should stop them from destroying the Australian shipping industry."

Maritime Union of New Zealand Joint President John Morgan said the Aussie victory would give impetus to his Union's campaign restore to cabotage in New Zealand. (See the July West Coast Sailors.)

In the wake of the CSL Pa-

See Aussie

continued on page 3

SCUP, LINE

Sailors' Union nominations slated for September coastwise meetings

Nominations for regular officers of the Sailors' Union of the Pacific for the 2004-2006 term of office will occur at the September coastwise meetings.

All current officers terms expire on February 29, 2004 with successful candidates assuming office on March 1, 2004 after a secret, mail ballot election is conducted between December 1, 2003 and January 31, 2004. The ballot will also include the election of five Trustees of the SUP Building Corporation and three delegates to the Seafarers' International Union of North American Convention plus a referenda on two proposed amendments to the SUP Constitution and three proposed amendments to the SUP Shipping Rules.

Any eligible member may place his/her own name in nomination or may be nominated by another member. Nominations may be made either in person or by mail; however, any nomination made by mail must be received at the Branch or Headquarters at least one day prior to the meeting at which nominations will be received.

In accordance with the SUP Constitution, an official Notice of Nomination is printed on Page 6.

Legislation to nullify the Jones Act introduced by Hawai'i Congressman

epresentative Ed Case (D-HI) introduced three bills in the House of Representatives that would gut the Jones Act provisions of the Merchant Marine Act of 1920, the cornerstone of U.S. cabotage and maritime policy.

The first bill, the "United States Non-Continguous Shipping Open Market Act of 2003" (H.R. 2846) exempts all non-continguous trades including Hawai'i from the Jones Act. If passed this would allow foreign-built, foreign-owned, foreign-registered and foreign-crewed vessels to operate between U.S. ports and Hawai'i, and other non-continguous trades such as Puerto Rico.

The Jones Act requires that only U.S.-built, U.S.-owned, U.S.-registered and U.S.-crewed vessels are eligible to operate in the domestic trades.

Case's second bill, the "Hawai'i Shipping Open Market Act of 2003" (H.R. 2845), exempts Hawai'i alone from the Jones Act. The third bill, the "Hawai'i Agriculture/Livestock Shipping Open Market Act of 2003" (H.R. 2847), exempts Hawai'i agriculture and livestock.

The reaction to Case's bills was swift. The Maritime Cabotage Task Force (MCTF), a broad-based maritime industry coalition formed to protect and defend American cabotage, strongly opposed the proposed legislation. The SUP is a member of the MCTF. Senator Daniel Inouye, Hawai'i's senior senator, said that he has always done everything he could to uphold the Jones Act throughout his political career.

"The Jones Act has served Hawai'i well. It is in Hawai'i's economic interest to have dedicated carriers that serve not only Honolulu, but also Hilo and Nawiliwili with high quality, regularly scheduled service," Inouye said. Inouye added it is in our national security interest to have American vessels and experienced mariners that can be called upon to support troops abroad.

"We cannot rely on foreign carriers to supply our military in times of conflict. This is especially important today as we undertake operations not only in Iraq, but throughout the world," Inouye said.

In a press release, Case stated that "the Jones Act is the reason why just two companies, Matson Navigation and Horizon Lines, have long had a stranglehold on Hawai'i's lifeline—shipping between Hawai'i and the Mainland—through which virtually all of Hawai'i's goods flow. Such a virtual monopoly is never good for consumer and is also detrimental to all other businesses that depend on the monopolized good or service."

"The Jones Act was enacted in a protectionist era under the excuse that we needed to preserve a strong national merchant marine. But today it is an anachronism: most of the world's shipping is through an international merchant marine functioning an open, competitive market. The Jones Act is only remaining function is as a shield for U.S. companies who benefit from the virtual lack of competition."

Case was elected to Congress from Hawai'i's Second District in January, replacing the late Patsy Mink—a staunch Jones Act supporter. Case's district encompasses all of Hawai'i except urban Honolulu, and includes the Islands of Hawai'i, Maui, Kaho'olawe, Moloka'i, Lani'i, O'ahu (Windward, North Shore, Central Leeward), Kaua'i, and Ni'ihau, and the Northwestern Hawaiian Islands

As the *West Coast Sailors* went to press, Case's bills had no cosponsors.

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SUP Quarterly Finance Committee Report

SUP QUARTERLY FINANCE COMMITTEE REPORT FOR THE QUARTER ENDED JUNE 30, 2003

The Quarterly Finance Committee, duly authorized to act by the regular meeting at Headquarters on July 14, 2003, hereby submits the following report:

SUMMARY OF CASH AND INVESTMENTS

General Fund	\$1,118,157.87
Political Fund	\$2,690.84
Strike Fund	\$1,293,730.99
Total Cash and Investments 2nd Qtr. 2003	\$2,414,579.70

GENERAL FUND

Dues, Initiation, Assessments	\$104,083.00
Interest	30,365.25
Donations - West Coast Sailors	2,595.00
Tanker & Joint Committee, Hiring Hall	108,173.29
Advertising & Promotion	335.00
Miscellaneous Reimbursements, Fines	5.00
Reimbursed Administrative Expenses	17,089.26
Field Expense Reimbursements	351.00
Contributions - General Fund	<u>1,944.50</u>
Total Income:	\$264,941.30

Expenses:	
Auto & Travel	\$1,884.88
Rent	15,238.32
Postage, Printing & Office	8,840.07
Telephone & Telegraph	5,662.92
West Coast Sailors Publishing Expense	5,593.96
Per Capita	11,102.50
Salaries & Payroll Taxes	177,675.36
Office Workers Pension	5,296.20
Insurance	25,038.88
Field Expense	5,753.34
Committee & Neg., Conference & Conv	6,115.81
Investment Expense	1,449.39
Advertising & Promotion	2,382.85
Legal & Accounting	32,793.18
Contributions	1,800.00
Flowers	282.53
Officials Pension	1,148.85
Filing & License	10.00
Subscription	<u>8,812.21</u>
Total Frances	\$216 001 DE

BUILDING CORPORATION

\$2,792.0
6,235.6
60,699.6
\$69,727.3
\$22,769.1
9,345.9
15,071.3
6,327.1
523.0
288.2
190.4
10,883.4
15,973.0
\$81,371.6
\$3,510.0
2.2
\$3,512.2
\$4,562.5
0.0
<u>. \$3,512.2</u>
(64,634.55 \$157,207.8
<u>\$92,573.2</u>
\$15

/s/ Mike Worth

/s/ Paul Fuentes

/s/ Arthur Thanash

ACTION BY THE MEMBERSHIP August 11, 2003. M/S/C—That we concur in the report of the SUP Quarterly Finance Committee and, as per past practice, publish in the **West Coast Sailors**. Carried unanimously.

Those were the days



SUP and one MFOW, crew members from the *s/s Hawaiian Banker* which operated on Matson Navigation Company's "Foreign Legion" run, at the Hawaiian Room, Lexington Hotel, New York City in 1953.

Seated left to right, unknown guest, MFOW member, Tony Medeiros (SUP), Jimmy Kula (SUP), Harry Lum (SUP), unknown guest. Brother Medeiros, Kula and Lum are now on pension.

Photo submitted by Tony Medeiros.

Final Departures

James Fernandes, Book No. 1706. Born in Massachusetts in 1923. Joined SUP in 1942. Died in Harbor City, California, July 9, 2003. (Pensioner)

Jacob G. Hilzendrager, Book No. 5801. Born in North Dakota in 1937. Joined SUP in 1953. Died in Sonoma County, California, July 14, 2003. (Pensioner)

Robert F. Eveland, Book No. 1683. Born in Iowa in 1925. Joined SUP in 1944. Died in Corpus Christi, Texas, July 27, 2003. (Pensioner)

James M. Dooley, Book No. 1993. Born in Washington in 1917. Joined SUP in 1940. Died in Edmunds, Washington, July 20, 2003. (Pensioner)

Joseph F. Collins, Book No. 4655. Born in New Jersey in 1907. Joined SUP in 1954. Died in Long Beach, California, July 24, 2003. (Pensioner)



SUP Meetings

These are the dates for the regularly scheduled SUP meetings in 2002:

	Hdqs. Branch		
September	8	15	
October	14*	20	
November	10	17	
December	8	15	
	*]	Tuesday	

Earth moves close to Mars this month

This month and next, Mars will be the closest it has ever been to Earth. Due to the way Jupiter's gravity tugs on Mars and perturbs its orbit, astronomers are certain that Mars has not come this close to Earth in the last 5,000 years but may could be as long as 60,000 years.

On August 27, at 2:51 A.M., Mars will come within 34,649,589 miles and will be the brightest object in the night sky (next to the moon). It will attain a magnitude of -2.9 and will appear 25.11 arc seconds wide. At a modest 75-power magnification, Mars will look as large as the full moon to the naked eye.

Richard E. Conley, Book No. 4774. Born in California in 1947. Joined SUP in 1965. Died in Fresno, California, July 18, 2003. (NGS)

West loast Lailors

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Amended Report of the Committee on Constitution

July 18, 2003 at SUP Headquarters, San Francisco

The following resolutions were not reviewed and voted on when the Committee on Constitution convened at Headquarters on June 23, 2003. To rectify this situation the Committee (Peter Benavides, Norm Christianson, John Crockett, Duane Hewitt, Montague Kalma, Gene Van Klinken and Art Thanash) was polled regarding their opinions on the following resolution and submit this amended report:

PROPOSED CONSTITUTIONAL AMENDMENTS

16) Resolution to bar a member from running for office if the member has brought legal action against the Union. The Committee strongly supported the intent of this resolution, however, it is illegal under the provisions of the Labor-Management Reporting and disclosure Act of 1959, also known as the Landrum-Griffin Act. *Recommendation is to non-concur*.

PROPOSED SHIPPING RULE CHANGES

10) Resolution to distribute jobs equally between all hiring halls if a new ship or a reflagged ship is scheduled to call at the affected port. A majority of the Committee believed that the proposed change was impractical and confusing because no one can predict what ports a ship will call. *Recommendation is to non-concur*.

Editors Note:

The **bold text** indicates that by majority vote at the July Branch meetings and the August Headquarters meeting, these proposed Constitutional Amendments and Shipping Rule changes will be placed on the 2003-2004 referendum ballot as per Article XXVIII of the SUP Constitution. The rest of the Committee's report was published in the July West Coast Sailors.

California Congresswoman praises American merchant marine

In honor of the American Merchant Marine for a job well done during Operation Iraqi Freedom, Congresswoman Loretta Sanchez (D-CA) stated on the floor of the House:

"I rise to congratulate the members of the American Merchant Marine for exemplary service to our country during Operation Iraqi Freedom. Our nation owes them a debt of gratitude for delivering goods and keeping our troops supplied during every trying time. Without the Merchant Marines, our armed forces would have faced insurmountable obstacles during their mission in the Persian Gulf.

"Our maritime industry accounted for more than 80 percent of the supplies that were moved into Kuwait and Qatar for use in Operation Iraqi Freedom. Over 5000 mariners, from midshipmen to seasoned licensed marine officers, took part in the massive effort. They braved the seas in unarmed vessels full of explosive cargoes, and even volunteered to take anthrax and smallpox vaccinations to protect against biological attack. They moved nearly 21 million square feet of cargo in four months, the equivalent, as Chairman of the Joint Chiefs of Staff General Richard Myers stated, of shipping everything in the Pentagon three times.

"On May 22, 2003, Secretary of Transportation Norman Mineta said, "There is no more devoted a community of professionals than those who serve our nation's marine transportation system." I wholeheartedly agree with this statement. Since the founding of our great nation, the men and women of our maritime industry have shown great dedication to the ideals on which America was founded.

"In peacetime, and in wartime, our maritime industry provides the vital lines of communications that keep our manufacturers producing, our farmers growing, and our consumers buying. Without the Merchant Marines, the American economy would grind to a screeching halt.

"I ask my colleagues to join me in recognizing the important contributions made by our Merchant Mariners and their unwavering 'I commitment to America's freedom and prosperity'. Participation in the most recent war in Iraq is just another example of our Merchant Marine's dedication to our nation."

Basic Safety Training dates eliminated from STCW certificates

Coast Guard acknowledges SUP position

In recognition of the position and arguments of the SUP, the U.S. Coast Guard's National Maritime Center issued a new ruling on completion dates for Basic Safety Training (BST). Effective immediately, Regional Examination Centers will no longer include the BST completion dates on the STCW certificates.

The policy, encapsulated in NMC Policy Letter 08-03, (available on the web at www.uscg.mil/nmc), is a victory for the Sailors' Union. In a series of national STCW conferences and meetings beginning in August 2001, the Union argued strenuously for sensible reform of an array of STCW issues. Of special interest was the BST completion date printed on the STCW certificate, which serves also as an expiration indicator, and often stood in conflict with the expiration of the STCW certificate itself. Much shipboard confusion resulted from onboard interpretation, and so the Union pressed regulators for a single controlling date. In Policy Letter 08-03, that date became the date of the certificate, and BST completion dates are no longer applicable.

However, in order to ensure compliance with the STCW Code in foreign ports continuing competency in BST must still be documented, or else the training is still considered to have a five-year expiration. The letter states that "When a mariner is employed, the employer should determine if the mariner is competent in BST and indicate that fact on the mariner's training records." In other words, mariners must possess documentation of at least one year seatime in the last five years, or BST certificates less than five years old, or other training records attesting to continuing competency. Therefore, members should carry records of their recent sea service and their training record books on board ship. Careful documentation of participation in all drills and exercises will assist in the determination of continuing competency.

Labor Day festivities on the West Coast and in Honolulu

To celebrate Labor Day on the West Coast the following events are scheduled:

The King County Labor Council in Seattle will have its annual Labor Day celebration on Monday, September 1, from 11:00 A.M. to 4:00 P.M. at Woodland Park, Shelters 1, 2 and 3. Activities for all ages are planned. Those attending are requested to bring a can of food for the Labor Agency Food Bank.

In the San Francisco Bay Area two Labor Day events are scheduled. The San Francisco Labor Council will hold a breakfast at the Crown Plaza Hotel on August 29, at 8:00 A.M. featuring Mayor Willie Brown as guest speaker. Tickets for this event are \$35.

The Central Labor Council of Alameda County is hosting its 46th annual Labor Day picnic from 10:00 A.M. to 5:00 P.M. at the Alameda County Fairgrounds in Pleasanton. California Attorney General Bill Lockyer is slated to address the gathering. Tickets for this event are available at SUP Headquarters.

In Wilmington the annual Labor Day Solidarity March will begin at Broad and E Street at 10:00 A.M., however, the SUP contingent will marshall at the Union hall at 9:00 A.M. for coffee, etc. The march itself will be along Avalon Boulevard and conclude with a rally at Banning Park at noon.

The Hawai'i State AFL-CIO is sponsoring a Labor Day rally and march in Honolulu which will be dedicated to the plight of immigrant workers and will coincide with the national AFL-CIO's Immigrant Worker's Freedom Ride scheduled in late September throughout the mainland. Inspired by the Freedom Rides of the 1960's, the Immigrant Worker's Freedom Ride and the Honolulu Labor Day March seek to garner broad public support for meaningful reform of immigration laws, while encouraging civic participation by new and future citizens.

The march will begin at Magic Island at 8:00 A.M. A short rally will be held at 8:30 A.M., then the march will proceed down Kalakava Avenue to Kapi'olani Park.

Aussie maritime workers win landmark victory ... conntinued from page 1

cific judgment, the Australian maritime unions are expected on a series of legal challenges against operators, who are consistent abusers of Australian cabotage.

This signals the end of the Australian government's laissez faire approach to coastal shipping and what is widely viewed as a loose interpretation of the voyage permits system. Gearbulk, which operates four or five vessels regularly

into Australia, has used two ships each on four occasions in the past year to carry Western Mining cargoes on the Australian coast. In contrast, Western Bulk Carriers has been careful to never use the same ship twice to carry coastal cargo, after the maritime unions targeted it when it was awarded a contract to carry Western Mining's coastal cargoes. Intercontinental Ship Management (ISM) may also be in the union's sights.

The Unions argue that ISM's parent company, Intercontinental Shipping, is primarily operating two Tongan-registered and crewed vessels, the *Hakula* and the *Ikuna*, on the Australian coat.

The Unions want to bring the two vessels formerly the Australian-registered *Sandra Marie* and *Wallarah under* the Maritime Seagoing Award, which is now under the jurisdiction of the AIRC.

Despite losing the High Court case,

CSL is putting on a brave face. It claims that it will stick to its principle and not employ Australian crew; instead, it will retain Ukrainians on Australian wages and conditions.

Evidence presented to the Federal Court in April last year showed that the Ukrainian seafarers' wages were A\$19,600 (US\$11,000) a year, compared with A\$52,100 a year for Australians.

SUP Honor Roll

Voluntary contributions from the membership to the following funds:

Organization/

Mike Duvall 20.00* **Erik Finneman 50.00 Daniel Gonzales 100.00 Duane Hewitt 20.00*** Thomas Riley 20.00* **Anthony Smith 20.00 Douglas Taylor 20.00***

*In lieu of dues increase.

Political Fund	
Noel Balaguer 40.0	0
Michael Binsky 20.0	0
Brenden Bohannon 50.0	0
James Clay 100.0	0
Michael Dirksen 20.0	0
Mike Duvall 40.0	0
Thor Erikson 20.0	0
Edgardo Franco 20.0	0
Deogracias Gonzales 10.0	
Vernon Haik 20.0	0
Walter Harris 10.0	0
Sedek Idris 30.0	0
Gunnar Lundeberg 50.0	0
Ramon Morales 20.0	
Donald O'Halloran 20.0	0
Jose Obsuna 20.0	
David Pangan 30.0	0
Michael Parenteau 25.0	
Jerry Patterson 50.0	0
John Perez 25.0	
Donald Persian 10.0	0
John Peterson 30.0	0
Steve Powell 25.0	0
Ray Ramirez 120.0	0
Gary Rymel 20.0	0
Gabriel Sipin 20.0	0
Ted Soderberg 20.0	
Elroy Wong 20.0	

West Coast Sailors

QuestDiscoveryService 30.00
Warren Althoff 10.00
Michael Binsky 20.00
Diane Ferrari 20.00
Erik Finneman 50.00
James Hearn 25.00
Takeshi Masukawa 20.00
William McAndrew 10.00
Tonny Nielsen 10.00
Jose Obsuna 10.00
Marcea Opriciu 25.00
Charles Rafael 25.00
Edward Schaffer 25.00
William Self 25.00
Dean Smith 20.00
Martin Smith 20.00
Richard Walsh 10.00
Ed Zoobrick 25.00

Dues-Paying Pensioners



Support the **SUP Political Fund**

U.S. and British to confiscate ships smuggling Iraqi oil

dom will confiscate ships used to smuggle oil out of Iraq, the U.S. Navy has warned.

Ed Zoobick 25.00

Word of the new policy comes after the Royal Marines arrested the small Dubai-owned tanker Navstar 1 in the northern Arabian Gulf in early August. Now an advisory circular, issued by the U.S. Navy's maritime Liaison Office in Bahrain, officially describes the problem as "widespread".

It continues: "procedures are being established for detention and possible confiscation of the ships, and for legal action against the participants." Only oil legally purchased from the Iraqi government's State Oil Marketing Organization SOMO is authorized for export. it adds.

This category includes only crude onloaded offshore at Mina al Bakr and refined oil onloaded at Khor Az Zubayr. In both cases, the oil must be bought

The United States and the United King- under a valid SOMO contract. "Any oil that does not fall within the above two categories is stolen government property and therefore not authorized for sale or transport," the directive states. This includes Iraqi fuel oil and diesel sold for bunkers, as SOMO has not authorized the sale of bunkers anywhere in Iraq. It includes any Iraqi oil being sold in Abu Flus port or any other site along the Shatt al-Arab waterway.

New Pensioners

Two SUP members have joined the rank of pensioners bringing the total number of SUP members now receiving a pension to 913:

Stanley R. Branch, 69, Book No. 5672, joined SUP in 1933, 38 years of seatime, basic pension.

Edward L. Coester, Jr., 56, Book No. 4749, joined SUP in 1965, 29 years of seatime.

Pirates free captain and engineers after ransom paid by shipowner

600 gross ton product tanker Penrider were freed from their pirate abductors on August 16, after the Malaysian owners of the vessel paid a ransom of \$200,000 (Malaysian dollars).

The trio were taken hostage after the ship was attacked on August 10, in the Malacca Strait 12 miles off Port Klang by heavily armed pirates dressed in the uniforms of the National Army of Aceh (Tentera Negera Aceh).

After the three men were removed from the vessel, the rest of the seven-member crew and the ship were allowed to continue the voyage to Penang, Malaysia.

According to Selangor Criminal Investigation Department Chief Senior Assis-

The master and two engineers of the tant commissioner, Abu Bakar Mustafa, "During their five-day captivity, the hostages never left for land and were taken by their captors to ply the Straits, and blending in with other Indonesian fishing boats to avoid detection."

> A spokesman for the vessel's owners, Syarikat Progerisf Cekap, told the Malay Mail, "We don't care about the money. All we are concerned about is the safe release of the hostages."

> An unnamed official involved in the fight against piracy expressed concern that the payment of ransom could lead to more kidnappings. He told Lloyd's List, "that will set a precedent if they know it is easy, they might try again."

Shanghai to build world's biggest shipyard

Shanghai authorities this month approved China State Shipbuilding Corporation's (CSSC) proposal to build the world's largest shipyard at cost of \$3 billion.

The yard planned along eight kilometers on Changxing Island off Shanghai is also being billed as the facility that will transform China into the world's biggest shipbuilding nation by 2015.

Construction of the yard is scheduled to begin in November and is expected to take eight to 10 years to complete.

China is currently the worlds' third largest shipbuilder after South Korea and Japan. Chen Xiaojin, general manager of CSSC, told Chinese state media that, "we are not inferior to South Korea and Japan in terms of technology, quality and ontime delivery. We have an advantage of cheap labor costs. Should capacity increase we will grab more of the market."

Foul play suspected in Maltese vessel

Police in Mackay, Queenland, Australia are investigating possible foul play aboard a Maltese flag-of-convenience coal carrier.

Captain Georgios Grigorios Choulis, 44, was taken to the Mackay Base Hospital with suspected fractures after being found in waters near his ship off Hays Point, on the evening of August 12.

"He was in a bad way," said Maritime Union of Australia (MUA) branch secretary Laurie Horgan. "MUA tugs were notified there was a man in the water and swung round. But by that time the ship's crew had launched a life boat and retrieved the fellow. Paramedics then airlifted him by helicopter to the hospital."

The Maltese-flagged Miyama 1 was at anchor off the coast at the time of the incident. Horgan said the crew of Ukranian and Romanian seafarers were not covered by an International Transport Workers' Federation (ITF) agreement, but declined union assistance when he went on board. Mackay police are investigating the incident.

A spokesman for the Australian Maritime Safety Authority (AMSA) said the coal carrier, which was en route to Brazil, was given special leave to come into port. AMSA are also ensuring the ship has adequate manning levels before it can

Meanwhile *Lloyds List* reports that an independent audit of the Maltese flag has picked out a range of deficiencies that "inhibit" the register's ability to keep close tabs on the ships on its books. The survey, carried out by the Value for Money section of the National Audit Office, Malta, detected numerous weaknesses within the flag's inspection regime and urged "continuous focus" from flag administrators.

United States holds shipper on terrorism charge

The Federal Bureau of Investigation (FBI) has arrested a Pakistani garment importer on charges that he has ties to al-Qaeda. "What most worries senior law enforcement officials is that the man is involved with the shipping industry," NBC News reported August 4. NBC said the FBI arrested Uzair Paracha, in New York's garment district, four months ago and has been holding him as a material witness in its case against Khalid Shaikh Mohammed, an alleged al-Qaeda leader arrested in Pakistan last March. Paracha's father, Saifullah Paracha, runs a garment export company in Karachi that "regularly ships large containers full of clothing to Newark, New Jersey," the network said.

According to Pakistani press reports, the elder Paracha has been missing since July 5 and was apparently arrested by Pakistani authorities as he boarded a Thai Airways flight for Bangkok. Pakistan Press International reported on July 31 that "Charles Anteby, a U.S. national and business partner of Mr. Paracha in New York," had asked Paracha to attend a Bangkok meeting of K-Mart, the large U.S. retail chain.

Bulk carrier sinks off Greece

All crewmembers of the Maltese-flag bulk carrier *Ogan* were rescued after their ship sank on August 9, 70 n-miles southwest of Pylos in the Peloponnese, Greece. The 17 crewmembers had abandoned the sinking ship on a life raft. They reported that the 1982-built bulker experienced a fire in the engine room and subsequently developed a leak that flooded the area. The Turkish-owned vessel was

en route from Ukraine to Tunisia carrying a cargo of steel. One rescue helicopter and two Greek coast guard patrol boats were dispatched to assist while nearby ships were also alerted. A Marshall Islands registered cargo ship, the Ocean Xenophon, picked up the Ogan's crew. They were later tansferred to a coast guard boat that brought them to the port of Pylos.

Tax relief for merchant mariners in Operation Iraqi Freedom

Qualified merchant mariners serving on vessels under Department of Defense operational control in direct support of US Armed Forces have been determined by the IRS to be eligible for the benefits of section 7508 of the Internal Revenue Code. 26 U.S.C. §7508.

This includes individuals, (including the spouse of such individuals) serving in the combat zone as part of Operation Iraqi Freedom aboard Maritime Administration and Military Sealift Command owned or controlled vessels.

Mariners are advised to consult their tax professionals with respect to the impact of this relief with respect to their individual situations.

Only mariners serving in the combat zone are covered. At present, the combat zone for Operation Iraqi Freedom is defined as follows:

- Persian Gulf;
- · Red Sea;
- Gulf of Aden; and
- · Gulf of Oman;
- That portion of the Arabian Sea that lies north of 10 degrees north latitude and west of 68 degrees east longitude; and
- The total land area of Iraq, Kuwait, Saudi Arabia, Oman, Bahrain, Qatar, and the United Arab Emirates.

Section 7508(a)(1) permits the postponement of certain time-sensitive acts for individuals serving in support of the Armed Forces in a designated combat zone. Activities specifically mentioned include the filing of tax returns, the payment of income, estate, or gift taxes (except employment and withholding taxes), tax claims filings or bringing suits for credits or refunds, filing any petition with the U.S. Tax Court, making a qualified retirement contribution to an IRA, or performing any other act listed in Revenue Procedure 2002-71.

Detailed information can be obtained by consulting Publication 3 Armed Forces' Tax Guide (2002 Returns). The Guide can be obtained by contacting the IRS or from the IRS website, www.irs.gov.

These benefits are afforded to the spouse of a qualified individual without any requirement that the individual and spouse file a joint return. Taxpayers within the US may seek assistance by calling the IRS toll-free at 1-800-829-1040. Taxpayers outside the US may call the IRS in Philadelphia, PA., at 215-516-2000 or via fax at 215-516-2555 (these are not toll free numbers).

Hollings to retire in 2004

Senator Ernest Hollings, the author of the most sweeping maritime security legislation in U.S. history and a strong backer of the shipping industry, announced this month that he will retire when his current term ends in 2004. "I will not be opting for re-election this next year," he told reporters in South Carolina, which he has represented in the Senate for 36 years.

Hollings is best known in the U.S. as a staunch protectionist, particularly on textiles, and within global shipping circles as the main force behind the Maritime Transportation Security Act of 2002. It was drafted before the terrorist attacks of September 11, 2001, and extended U.S. authority to protect its ports and systems of transport far beyond U.S. borders.

Hollings, 81, is also known for his barbed comments, which he displayed by blasting George W. Bush as the "weakest president in the history of my 50 years of public service."



SUP comments on Maritime Transportation Security Act

The implementation of the Maritime Transportation Security Act (MTSA), a sweeping effort to increase port security in the United States, is in its final phases. Passed by Congress last fall, the Coast Guard issued its interim final rule on July 1, 2003 with a final rule expected near the end of November. This massive piece of legislation will change the U.S. waterfront forever, imposing thousands of new restrictions, duties, and protocols.

The Sailors' Union was involved in the process from the beginning. Before the bill became law, in April 2002, we submitted our position paper on maritime security to the members of the Senate Committee on Commerce, Science, and Transportation, as well as the

House Committee on Transportation and Infrastructure. (See the May 2002 West Coast Sailors.) The Union submitted further commentary to the Coast Guard on the first phase of implementation as laid out in the December 30, 2002 Federal Register. (See the February 2003 West Coast Sailors.) At the same time, we attended the West Coast public hearings on the matter, and repeatedly expressed our central concern: that the safest ship in a U.S. port is a U.S.-flag ship and that by ignoring the flag-of-convenience scourge the Coast Guard was missing the gravest vulnerability of all.

The Union submitted the following letter to the Coast Guard docket on the implementation of the Maritime Transportation Security Act (MTSA) on July 28, 2003:

Document Management Facility (USCG-2003-14792)

U.S. Department of Transportation

Room PL-401

400 Seventh Street SW

Washington, DC 20590-0001

RE: Electronic Submission to Docket No. USCG-2003-14792

Dear Sir or Madam:

We are pleased to make following remarks in commentary on the Coast Guard's interim final rule promulgated July 1, 2003 as part of the implementation of the Maritime Security Transportation Act (MTSA). We commend the Coast Guard again for not only encouraging this commentary but also for consistently providing the democratic forum for review. We understand that the Coast Guard insisted on this method despite the special post-9/11 waivers of the normal administrative procedures. The following comments summarize the rulemaking issues relative to the major points of our previous commentary.

Shore leave

We note with satisfaction the strong position the Coast Guard established in the regulations regarding shore leave. The direct and specific references to shore leave in the regulations conform exactly with our position and to the widespread belief that shore leave is a fundamental right of seamen. We further commend the Coast Guard for recognizing the importance of access for visitors and representatives of the crew, and for requiring port facilities to coordinate access to and from the ship.

Access to Vessel and Port Facility Security Plans

The regulations state that vessel and port facility plans, submitted by private operators and employers, will be deemed Security Sensitive Information. It says that the information will be protected from public forum, exempt from FOIA, and state disclosure laws are preempted by 49 CFR 1520. This means that workers both on the docks and in the ships may be subject to working conditions established by a plan that they will not be allowed to read. We note the recognition, however, that Coast Guard makes page 39254 that generally a security plan will not be available to individuals "unless circumstances provide a need to view it." Accordingly, we respectfully request the Coast Guard to list mariners and other employees whose normal working conditions are in anyway altered by such a plan as among those qualified for access on a "need to know" basis.

Safe Manning and Fatigue

We were disappointed to note that the rules contain no references to the need for increased manning to accomplish the mandated tasks. In Marsec Level 3, for example, there will be waterborne patrols, roving deck patrols, baggage and stores searches, to mention only a few additional duties. Without additional manning, the mariners tasked with this work will not be able to perform adequately in the security role and at the same time comply with STCW mandated rest periods. The first casualty will be the alertness of the mariner, and the two codes (ISPS/STCW) will stand in conflict against each other.

Flag-of-convenience shipping

Throughout its long history the Sailors' Union has asserted that the safest ship in a U.S. port is a U.S.-flag ship. Never before has this position been more relevant. In our white paper to Congress before the passage of the MTSA, and again in a docket filing on the December 30, 2002 Federal Register notice on MTSA implementation, and verbally at the public meetings, we have repeatedly propounded this elemental position. Unfortunately, the almost total lack of an official response leads us to believe that a) there is no adequate and defensible opposition to the question, and b) that obvious security improvements are being waived to avoid interfering with the maritime activities of global commercial interests.

We therefore note with concern and anxiety that in this rulemaking the Coast Guard is willing to accept alternative compliance schemes from foreign-flag vessels. As stated on page 39260 in the July 1, 2003 Federal Register notice, the Coast Guard accommodates foreign interests. "The strong response and industry standards submitted as examples of best practices lead us to believe that the maritime community is implementing security measures in many sectors...[Accordingly,] we will allow organizations to submit their security programs for consideration as an alternative to the requirements..." Although such a ruling is appropriate for the known security risks of the domestic and international U.S.-flag fleet, the acceptance of alternative schemes, especially for flag-of-convenience flag states, presumes responsibility and compliance from a regime that is designed to avoid responsibility and compliance. This strikes us as not only as imprudent but dangerously unsafe. Rather than pushing out the borders of U.S. regulations by requiring U.S. compliance, as was the original goal of the MTSA, this rulemaking collapses borders by permitting flag states to follow their own compliance methods provided they are internationally certified. Unfortunately, as labor, environmental, intelligence and criminal authorities know all-toowell, there is much global maritime activity that is internationally certified that is also fraudulent, criminal, and terrorist-related.

Finally, we respectfully suggest that the acceptance of alternative compliance schemes for flag-of-convenience shipping imparts a multi-lateral interpretation on unilateral Congressional intent. To be sure, the measured unilateralism of Congress in the MTSA was not business-as-usual. It was far-reaching, unique, and in some respects, severe. But we cannot forget that it was driven by the cataclysmic events of September 11. It is regrettable that only another disaster will make clear the error of the Coast Guard's multilateral interpretation.

Sincerely,
Dave Connolly
Vice President/Assistant Secretary-Treasurer

Notice to All SUP Members

NOTICE OF NOMINATION AND ELECTION OF OFFICERS

for the SAILORS' UNION OF THE PACIFIC 2004-2006 TERM OF OFFICE

The membership of the Sailors' Union of the Pacific is hereby notified that the regular secret ballot Union-wide election of officers will be held from December 1, 2003, through January 31, 2004.

Attention is also called to the fact that nominations for regular office in the Sailors' Union of the Pacific for the 2004-06 term of office will be opened at Headquarters and at all Branches at the Regular meetings in September 2003.

The Regular meetings in September will be held at the following locations, dates and times:

Headquarters: September 8, 2003 - 11:00 A.M.

450 Harrison Street, San Francisco, CA

Branches: September 15, 2003

Seattle, Washington: 2414 S.W. Andover Street,

Building F, Suite 105 - 11:00 A.M.

Wilmington, California: 533 N. Marine Avenue

11:30 A.M. - **11:30 A.M.**

Honolulu, Hawai'i: 707 Alakea Street - 11:00 A.M.

In accordance with the Sailors' Union of the Pacific Constitution, any eligible member may place his/her own name in nomination for any regular office or may be nominated by another member. Nominations may be made either in person or by mail; however, any nomination made by mail must be received at the Branch or at Headquarters at least one day prior to the meeting at which nominations will be received.

Any member of the Sailors' Union of the Pacific may submit or mail in his/her own name for nomination. However, no person may be a candidate for more than one office with the exception of the positions of Trustees of the SUP Building Corporation, and delegates to the SIUNA Convention.

All nominees who wish to run for office must have the necessary qualifications and acceptances in the office of the Committee on Candidates, 450 Harrison Street San Francisco, CA 94105, prior to midnight, October 14, 2003.

Balloting will be conducted by mail through an impartial balloting agent approved by the membership.

The election will fill the official positions in the Sailors' Union of the Pacific, as prescribed by the Constitution for a two-year term of office. The jobs are: President/Secretary-Treasurer, Vice President/Assistant Secretary-Treasurer, Business Agent, each at San Francisco.

At Seattle, Branch Agent; at Wilmington, Branch Agent; at Honolulu, Branch Agent.

In addition, five regular positions as Sailors' Union of the Pacific Building Corporation Trustees and three delegates to the SIUNA Convention will be filled.

Any member of the union is eligible to be a candidate for and hold regular office, provided he/she possess the following qualifications:

- a) He/she is a member in good standing at the time of nomination;
- b) He/she achieved B seniority as defined in the Sailors' Union of the Pacific Shipping Rules;
 - c) He/she is not disqualified by law.

A member shall not be eligible to be a candidate for and hold any regular office if within the past five years he/she has been convicted of, or served any part of a prison term resulting from conviction of robbery, bribery, extortion, embezzlement, grand larceny, burglary, arson, violation of narcotics laws, murder, rape, assault with intent to kill, assault which inflicts grievous bodily injury, or violation of Title II or III of the Landrum-Griffin Act, or conspiracy to commit any such crimes.

The names and membership numbers of nominees, if obtainable at the time, shall be recorded in the minutes at the coastwise meetings. The Balloting Committee shall be elected and shall prepare a list of names and nominees for each office and forward copies thereof to each Branch. Such lists shall be conspicuously posted in each office or hall. All nominees shall be notified by mail of their nomination and such notice shall be mailed within five working days after the nominating meeting.

A Committee on Election composed of five members in good standing shall be elected at Headquarters, whose duty shall be to prepare the ballot. All nominees who desire to become candidates shall have the necessary qualifications and acceptances in the office of the Committee on Candidates prior to midnight of October 14 of the election year.

The acceptance shall be by letter which shall be dated and shall contain the following:

- a) The name of the candidate;
- b) His/her home address and mailing address;
- c) His/her membership number;
- d) The title of the office or other position for which he/ she is a candidate, including the name of the port in the event the position sought is that of Branch Agent or Business Agent, Building Corporation Trustee or SIUNA delegate.
 - e) He/she is not disqualified by law.

Nominees who fail to comply herewith shall be regarded as having declined the nomination.

Washington Post: Seized cargo for North Korea intended for nuclear purposes

A container filled with aluminium tubes seized on April 12 by German and French authorities in Egypt was destined for a North Korean uranium-enrichment project, US and European intelligence officials told the *Washington Post*. The *Post's* August 15 report, concluded a two-part series on North Korean shipping practices. It said that the 2,000 pipes seized in Alexandria on CMA-CGM's *Ville de Virgo* were purchased by a North Korean agent from a German export company called Optronic, and had been falsely labelled on the ship's manifest as destined for a Chinese aircraft company.

"The intentions were clearly nuclear," one official told the *Post*. "The result could have been several bombs' worth of weapons-grade uranium in a year." A *Post* story on August 14, disclosed a 1999 incident in the Indian port of Kandla, where Indian customs officials searching a North Korean freighter discovered 15 Scud missiles and enough tools to create an "arms assembly line" hidden in the ship's cargo hold. India turned over much of the material, which was bound for Libya, to the U.S. government.

Prestige cost could outstrip Exxon Valdez

The damage and costs incurred by the sinking of the *Prestige* off northern Spain in November 2002 could be greater than those of the *Exxon Valdez* sinking in Alaska in 1989, according to a report published by Galicia's private Institute of Economic Research Fondacion Barrie de la Maza.

Damages are likely to exceed those of the *Exxon Valdez* because of the extent of the pollution—as far as northern France—and because of the importance of fishing zones in the area which have been badly hit by the accident", the report says. Clean-up costs already amount to \$2.7 billion, compared to \$2 billion for the *Exxon Valdez*, without counting huge compensation payments to victims of the black tide.

The Institute reiterates heavy criticism of the Spanish government's handling of the crisis. "For example, the authorities said that once the oil is locked in the ship's tanks below the surface it will become solid and will not leak any more. The statement is wrong and was made without any scientific backing," it says.

Liberian ship registry being questioned

With the departure of former Liberian President Charles Taylor this month, published reports indicate that renewed efforts are being made to investigate the country's phony flag-of-convenience shipping registry.

According to MSNBC, calls are being made for a review of ship registry contracts negotiated under Taylor's leadership, including that of a small Virginia firm, the Liberian International Ship & Corporate Registry (LISCR), which oversees the day-to-day operations of registering ships under the Liberian flag.

The phony-flag Liberia maritime registry has been an important source of income for a country devastated by years of civil war. By some estimates, phony-flag ship registry fees and taxes generate some \$18 million a year which is about 25 percent of the nation's revenue.

The Virginia-based LISCR operation handles the paperwork and turns over the taxes and fees it collects to the Liberian Treasury. It is widely believed that some of the phony-flag money goes to support non-governmental projects.

In 2001, a UN report found that some payments from LISCR ended up in accounts that UN investigators believed were used to buy guns to help fight the civil war. Others claim that companies use the Liberian registry to conceal diamond smuggling and tax evasion.

Slave labor on the Love Boats?

MSNBC Television News broadcast the following story on August 10, regarding conditions aboard flag-of-convenience cruiseships. The commentator was Arthur Frommer, author of *Arthur Frommer's Budget Travel*:

"Except perhaps for the dance instructor, and the social director with his dinner jacket and gleaming smile, when did you last see an American employee on a cruise ship? You haven't. Apart from the social and entertainment staff, almost everyone else is foreign, and nearly 80 percent of them are from Southeast Asia (Indonesia and the Philippines, Thailand and Sri Lanka) and Poland.

"The reason is wages and working conditions, as little as 75 cents an hour for work weeks of 80 and 90 hours, with perhaps a single day off per month, and a closet-sized berth in which to sleep. Those shockingly low wages paid to the ordinary seamen who staff each vessel enable the cruise ships to offer what is generally considered to be the finest value in travel today: elegant cruises of tropical waters, including several meals a day, comfortable cabins, and countless amenities, for as little as \$150 a day per passenger.

"But are these bargains ethical? Is it morally proper for Americans, who constitute 97 percent of the passengers on these ships, to enjoy their vacations at the expense of other human beings? Is it acceptable to dance the night away while others labor in the bowels of the vessel for a dog's wages?

"Is it right, for that matter, to enjoy an activity from which American workers are excluded? If a manufacturer were to import Indonesians to staff a clothing factory in North Carolina, at 75 cents an hour, would we not all be aghast? And refuse to buy the products made in that manner? In what way does this differ from the activity of a slave-labor cruise ship picking up and delivering American passengers to an American port?

"By signing on as co-sponsors of legislation dealing with shipboard wages and working conditions, 30 members of Congress have expressed their own disgust over practices in the cruiseship industry. In what should be an era of heightened sensitivity to moral concerns, we all should examine their arguments and proposed solutions."

A look astern...

100 years ago

After a fifteen-year struggle on August 6, 1903, the SUP, Pacific Coast Marine Firemen's Union and the Marine Cooks and Stewards' Association gained recognition from the Oceanic Steamship Company and negotiated an agreement.

For the SUP, the wages for the bosun were \$40 per month; quartermaster and seamen, \$35 per month. The overtime rate was 40 cents an hour. Hours of labor were from 7:00 A.M. to 5:00 P.M., six days a week. Work performed in port on Sundays and legal holidays and all time work beyond the regular hours were paid at the overtime rate, except that for certain jobs (securing for sea, docking, undocking, loading and discharging of mail and baggage, and work for the immediate safety of the vessel, her passengers and crew) no extra compensation was payable. The wages and working hours of the Firemen and Cooks were similar to the Sailors.

The agreement was signed by Andrew Furuseth, secretary of the SUP; William McDonald, secretary of the Firemen; and Eugene Steidle, secretary of the Cooks. John D. Spreckels, president of Oceanic signed for the company.

Commenting on the agreement, Furuseth said: "Regarding the advantages secured by the agreement, the most obvious one, of course, is that of "recognition of the union." During the life of the agreement, which, it is hoped, will be indefinitely prolonged, members of the respective unions will be employed ex-

clusively on the Oceanic liners, so far at least as union members are available. In addition, union conditions as to working hours, etc., will prevail, and, most important of all, a system of adjusting grievances by conciliation, or, where that method fails, by arbitration, will obtain. With a proper regard on both sides for the spirit as well as the letter of the agreement, there is little doubt that any deficiencies which may become apparent during the operation of the details will be promptly made good."

Furuseth added: "The completion of this agreement leaves but two firms in the list of San Francisco shipping concerns which have not yet undertaken business relations with the unions representing their employes. These firms, the Williams, Dimond and the Pacific Mail companies, will be interviewed on the subject as soon as opportunity affords. Given patience and perseverance, the result is a foregone conclusion. At any rate, the prospects in these two cases are not by any means as dubious nor as distant as were those in the case of the Oceanic Steamship Company.

The relations now established between the maritime unions on the Coast and the shipowners, as represented by the Oceanic Steamship Company, the Steam-Schooner Managers' Association and the Shipowners' Association of the Pacific Coast, constitute a precedent which the remaining shipowners may safely follow, and one, moreover, which they cannot well refuse to follow."

Three major U.S. ports identified as most vulnerable to terrorism

Since the 9/11 terrorism attacks, U.S. officials have been working to identify other possible terrorist targets. Three major port areas are thought to be especially vulnerable. These are the Ports of New York-New Jersey, Ports of Los Angeles-Long Beach, and Ports of Seattle-Tacoma.

Operation Safe Commerce is a pilot program that combines public and private resources to enhance security at these ports. Ports pose a security challenge very different from that of airports where a security perimeter can be more easily secured since airports are on one large piece of land with limited public access.

At a port like Seattle-Tacoma, there are multiple parcels of land with miles of land and water access. There are also about three million container moves a year, most of them in the neighborhood of 40 feet long. It is not possible to inspect all of these containers and the tens of thousands of tons of cargo they contain to ensure that the manifest accurately states what the container has in it.

It was with that challenge in mind that Senator Patty Murray (D-WA), last year announced plans for Operation Safe Commerce. The pilot program combines public and private resources to enhance security at America's three largest ports. It is designed to help track and monitor container cargo from the point of origin to the final destination.

Security concerns prevent officials from talking too specifically about the technology and techniques being tested for Operation Safe Commerce. They include gamma ray technology and a device called a vacis that scans containers looking for suspicious cargo.

The Port of Seattle has also taken the lead in implementing a device pioneered by the Savi Technology company in California. For years Savi has been developing techniques that track electronically the contents and location of containers shipped around the world.

Now the company offers an additional tool to aid port authorities concerned that bombs or other lethal materials might be smuggled into the United States The technology allows inspectors to add an electronic seal as well as sensors that can tell if the container has been opened or closed.

It also detects if something has been added into the container or if somebody has tampered with its contents. The system will then alert the appropriate person through their cell phone to indicate the location that a particular container is being tampered with.

More claims paid for New Carissa grounding

On August 13, a three-member panel of the Ninth U.S. Circuit Court of Appeals in San Francisco closed another chapter in the saga of the 1999 wood-chip *New Carissa* oil spill. The judges unanimously upheld a jury's \$1.4 million award in 2001 to a Coos Bay oyster farm for damages from the wood-chip carrier's grounding. Melinda Merrill, a spokeswoman for the ship's owner and operator, declined comment, saying that attorneys for Taiheiyo Kaiun Co. and Green Atlas Shipping were reviewing the ruling.

The panel also upheld the lower court's award of \$651,382 in attorneys fees and \$149,170 in expenses to Lilli and Max Clausen, who operate the Coos Bay oyster farm. The stern section of the vessel has so far foiled salvage attempts and remains mired in the surf outside Coos Bay.

ESU Office Assignments

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



Official Publication of the Exxon Seamen's Union

PAY INCREASES DUE SEPTEMBER 1, 2003

In accordance with the provisions of the current Collective Bargaining Agreement (CBA), increases in base wages and overtime rates for all ratings will be paid by payroll for the reporting period starting September 1, 2003. This Agreement, negotiated between the Exxon Seamen's Union and SeaRiver Maritime, Inc., and ratified by the ESU membership, is in effect from September 1, 2001 through August 31, 2005.

In this, the second year of the Agreement, base wage increases will amount to 3.5% for all ratings. This increase follows a 3.5% increase on September 1, 2002, and will be followed in the last year of the Agreement with another 3.5% increase due on September 1, 2003. Overtime rates will increase by 3% for the second year of the Agreement and will again increase by 3% in the third year of the three-year agreement due on September 1, 2004.

A complete and comprehensive compilation of all wage tables can be found in Article XVII (pages 64-72) of the CBA. Below are excerpts of wage tables from the Agreement that reflect the increases for the year 2003.

The monthly wage schedule, including additional compensation for years of continuous service (CSB), shall be as follows:

TOTAL MONTHLY WAGES - BASE+CSB - EFFECTIVE 9/1/03

RAT	ING	START	1	2	3	5	10	15	20	25	30
451	Pumpman	3328	3542	3687	3715	3791	3936	3972	4004	4040	4077
452	MM/2nd Pumpman	3140	3341	3479	3506	3576	3709	3742	3778	3814	3849
465	QMED-Oiler	2743	2920	3045	3069	3131	3255	3287	3316	3344	3375
481	Maint. Man/AB	2358	2510	2610	2631	2680	2777	2803	2829	2855	2882
442	Able Seaman 1	2365	2521	2623	2646	2702	2806	2833	2858	2884	2910
441	Able Seaman	2091	2225	2319	2338	2385	2480	2502	2526	2547	2572
468	Maint. Seaman	1856	1977	2060	2083	2126	2216	2236	2258	2279	2302
476	Fleet Chef	3133	3326	3457	3481	3550	3678	3710	3743	3773	3806
478	Cook	2341	2487	2583	2602	2652	2751	2775	2799	2823	2848

MONTHLY SUM FOR SATURDAY, SUNDAY, AND HOLIDAYS (SSHOT)

For work performed during regular scheduled hours on Saturday, Sunday and holidays, the following sums will be paid during each month of the year:

-	Effective	Effective	
RATING	9/01/03	RATING	9/01/03
Pumpman	\$976	Able Seaman	\$659
2nd Pumpman	\$920	Maint. Seaman	\$561
QMED-Oiler	\$868	Fleet Chef	\$912
Maint. Man/AB	\$742	Cook	\$682
Able Seaman 1	\$697		

OVERTIME AND PENALTY PAYMENTS

The overtime and penalty rates of pay, as provided for within the Agreement, shall be as follows:

	RATING	OT	PT
451	Pumpman	\$ 22.43	\$ 7.92
452	MM/2nd Pumpman	\$ 21.17	\$ 7.47
465	QMED-Oiler	\$ 19.98	\$ 7.63
481	Maint. Man/AB	\$ 17.09	\$ 7.32
442	Able Seaman 1	\$ 16.07	\$ 7.76
441	Able Seaman	\$ 15.14	\$ 7.32
468	Maint. Seaman	\$ 12.90	\$ 5.70
476	Fleet Chef	\$ 21.01	\$ 7.47
478	Cook	\$ 15.74	\$ 7.32

TANK CLEANING RATES OF PAY

The Tank Cleaning Rates of Pay shall be as follows:

<u>Rate of Pay</u>

Penalty Rate

On Watch: Monday through Friday

Saturday, Sunday, & Holidays Penalty Rate
Off Watch: Higher of Tar

*Saturday, Sunday, Holiday (SSHOT) Sums

When Performed

Penalty Rate + OT Rate *
Higher of Tank Cleaning Off Watch Rate or OT Rate

The Tank Cleaning Off-Watch rates are as follows:

Entry Ratings \$16.55 If tank or bilge is not entered: If tank or bilge is entered: AB and other ratings \$20.51 QMED, PM \$20.51 QMED \$24.11 PM \$27.09

An anniversary to be proud of

Tuly 27, 2003 passed largely unnoticed, as did August 9, 2003 and August 16, 2003. The very fact that they passed unnoticed underscores the turbulent events four years ago that galvanized the entire ESU membership to act and speak as one. The affiliation action that was taken by the ESU membership ensures that the aforementioned dates will be enshrined in the rich history of the Exxon Seamen's Union forever. The sequence of events that transpired, culminating in our affiliation with the Sailors' Union of the Pacific, though tempered by time, can arguably be called our finest hour. The chronological order of the meaning of the dates are: July 27, 1999 the American Arbitration Association informed the Exxon Seamen's Union that the membership had voted overwhelmingly to affiliate with the Sailors' Union of the Pacific; August 9, 1999, vote taken at SUP headquarters meeting affirming acceptance of the ESU as an affiliate of the Sailors' Union of the Pacific; and August 16, 1999, affiliation is ratified by the Sailors' Union of the Pacific.

Benefits of this affiliation have been many, tangible and intangible. Undoubtedly, the *ESU News* contained in the highly regarded and widely circulated *West Coast Sailors* is one of the largest tangible benefits of our affiliation. Another is the enormous amount of regulatory information and USCG regulatory changes provided by our fraternal brother and resident expert on such matters, SUP Vice President Dave Connolly. In addition, there is political clout that can be exerted by voluntary donations to the political fund. Also, the affiliation puts the ESU snugly under the vast umbrella of the AFL-CIO.

The ESU takes great pride in our fraternal links, because the Union has seen firsthand how the partnership between the ESU and SUP has been mutually beneficial. And more importantly, the ESU has seen how this partnership benefits and strengthens the membership of both the ESU and SUP. The members benefit from this partnership, because, quite simply, the ESU and SUP are the finest maritime unions in the world. The affiliation gives each the prestige it takes to retain the best sailors. It sets standards for maritime unions that are unmatched in the industry.

The ESU believes that the partnership (affiliation) with the SUP that was forged four years ago in adversity is a work in progress that will help each of us achieve our common goals. We will continue this exchange and strengthen our ties far into the future. But the ultimate measure of the value of this partnership story is yet to unfold. We must be vigilant, especially in these precarious times. Our affiliation has, and will continue to have an impressive track record of mutual cooperation.

The ESU Executive Board salutes the entire membership of the Exxon Seamen's Union and the Sailors' Union of the Pacific on this fourth anniversary of affiliation. SOLIDARITY.

\$1200 lump sum to be sent in September

The second round of lump sum payments will be sent to ESU-represented employees by the 21st of September. These payments will be sent in the same manner that employees receive their paychecks, but **will be sent separately** from regularly scheduled paychecks. Federal income taxes will be deducted from the gross amount of \$1200.

Additionally, Maintenance Seamen (MS) that have obtained their STCW endorsement; "Rating forming part of a navigation watch" will be qualified for an extra \$500 lump sum payment. This payment will be combined with the \$1200 bonus amount. To be eli-

gible for this supplemental payment, an MS must have obtained the endorsement between September 1, 2002 and September 1, 2003, and provided proof to Fleet Manning during that period of having acquired the endorsement. Maintenance Seamen that have not yet obtained the endorsement will still have an opportunity to receive this payment after September 1, 2004, if they provide evidence of doing so within this contract year.

The Collective Bargaining Agreement mandates that SeaRiver Maritime, Inc. make three lump sum payments during the three-year agreement. In addition to the \$1200 payment now due, a \$1600 payment was

paid in September of 2002. The final payment, in the gross amount of \$1000, is due to all ESU-represented employees in September of 2004.

Members frequently ask why these checks are not processed on the first of September. The Union has conferred with SeaRiver on this subject and has been told that a list of eligible employees cannot be compiled until September 1 or shortly after that date. This list is then double-checked and approved by Human Resources and then sent to the ExxonMobil Payroll Department for processing at the first available "offcycle" date from payroll runs.

ESU News

Fleet Chef Parker retires



Fleet Chef, William (Bill) Parker, accepts a retirement gift from his friends and shipmates aboard the **SeaRiver Galena Bay**, his last ship before retiring August 1, 2003.

A longtime loyal fraternal ESU brother has elected to retire. Fleet Chef William (Bill) Parker has elected to retire effective August 1, 2003, with 27 years of company service. Bill was an ardent supporter of the Union and served on the ESU Board with distinction. Bill's first ship with the company was the *Esso Houston*.

Bill's years of loyalty and dedication to the Union are appreciated by the entire membership. Bill was an excellent chef and a loyal shipmate and we wish him all the best in his retirement.

Ship reports

S/R American Progress

Vessel slated for Board visit on August 22, at Beaumont, TX. Vessel has been transiting from Port Everglades to lower Mississippi River the last six weeks. Ship Representative Chuck Bell onboard and doing an excellent job of communicating with the ESU offices. One contractual question concerning the sailing board provision clarified.

S/R Baytown

The vessel departed Singapore on July 31, and is expected back on the U.S. west coast in the latter part of August. Presently it is unclear where the ship will go. Kevin Conroy is filling in for Mark Myser and reports that all is well.

S/R Bristol Bay

The vessel is still in lay-up at Orange, Texas. The duration of the layup and the future of the ship is unknown at this time.

S/R Charleston

Union visited vessel August 11, at the ExxonMobil Dock in Baton Rouge, LA. Mike Gore acting as Temporary Ship Representative in Bob Knight's absence. Vessel continues in Tampa to Baton Rouge gas trade with no beefs reported.

S/R Columbia Bay

Board officer visited the vessel at the Valero dock in Benicia, CA, on August 12. Ship Representative Thor Floreen has just returned from P/L and reports that all is going well, no beefs.

S/R Galena Bay

Ship departed Portland, OR, August 5, took a load of ANS and is due in the Bay Area about August 17, 2003. Numerous manning level and work rule concerns and a unjust termination from vessel being addressed with shore side

managers that occurred during cleanup and inspection period in Portland.

S/R Hinchinbrook

Vessel continues on the ANS trade between Valdez and the Puget Sound. Earl Doucet is doing a good job filling in for Ship Representative Danny Jones and reported that everything was running very smoothly with no beefs.

S/R Long Beach

Ship visited by Executive Board officer on August 3, at the Valero Dock in Benicia, CA. Joe Goulart is filling in for Joe Graca as Temporary Ship Representative and reported that everything was going well. One crewmember inquired about the criteria or requirements for a family member to visit the vessel while in port. Board officer will discuss this issue with management and report findings.

S/R Mediterranean

Vessel continues to operate in international trade and specific trade and route information is not given due to security concerns. Ship Representative Frank O'Malia continues to communicate with Union via email and is holding regular union meetings.

S/R Puget Sound

Board officer last visited the ship at Valero Dock, Benicia, CA on July 19. The vessel has now returned to the Anacortes run. Ship Representative Michael Harrison is back aboard and there have been no reports of any beefs.

S/R Wilmington

Executive Board visit conducted August 7 at the ExxonMobil Dock in Baytown, TX. Representative Al Cooper onboard and reports that all is running smoothly. One overtime rate of pay issue addressed and resolved.

Loss prevention system workshop completed

The LPS Core Team instructors Denis Hynds, Ocean Tug Fleet, Jay Norman, Ocean Fleet Engineer, Mike Noack, Ocean Fleet Engineer and Charlie Pollard, Ocean Fleet Pumpman, have completed the second and final LPS workshop in Houston, Texas on August 5, 2003. The first workshop was completed on July 29, 2003.

Some of the subjects covered on day one were: Loss Prevention System Introduction, Charlie Pollard; Fundamentals, Denis Hynds; Safe Performance Self Assessment & Job Hazard Analysis, Jay Norman; Loss Prevention Observation, Mike Noack; and Root Cause Analysis Flowchart, Mike Noack. Day two subjects included Loss Prevention Observation/Root Cause Analysis Exercise, Mike Noack; Near Loss/Loss Investigation, Charlie Pollard; Stewardship, Denis Hynds; and Data Base & Roles and Responsibilities, Jay Norman.

The unlicensed attendees were: Rudy Benavides, AB; Edward Benjamin, AB; Lonnie Bloomquist, MS; Joseph Buffington, AB; Hal Fitch, PM; Felix Jacobs, MS; Lance Jacobs, QMED; Sumaila Mumuni, QMED; and James Schettler, MS.

It is anticipated that LPS training will move from shore-side to shipboard commencing about mid-September.

What is LPS? The "Loss Prevention System" is a behavior based modification program that ExxonMobil and its affiliates have committed to integrate permanently into all facets of the corporation, SeaRiver Maritime included. The definition of LPS as outlined in The SeaRiver Maritime LPS handbook is: "A system to prevent or reduce incidents using behavior-based tools and proven management techniques. This prevention or

reduction of incidents is accomplished in a work culture that: Emphasizes proactive activities; capitalizes on the job expertise of employees; maximizes use of positive reinforcement; integrates the LPS tools with the daily business; and practices providing direction from the top down while solving problems from the bottom up."

SeaRiver Maritime approached the ESU Executive Board in early spring of this year and stated their intentions to implement the LPS within SeaRiver Maritime. Management explained that LPS would be implemented throughout ExxonMobil Corporation, and that some of the affiliates had already implemented it. SeaRiver wanted the Union's buy in. The ESU asked many questions and some of them were answered, but no one seemed to know definitively what the end product of this program would entail because it is a work in progress. The ESU has decided to take a neutral stance on the LPS issue until we are able to determine what the end result will be. The Union did inform management that we would never be able to buy-in on the LPS program if it violated our contract or work rules in any way. SeaRiver management has assured the Union this will not happen—time will tell. Additionally, the union insisted that participation would have to be voluntary and there would be no punitive measures with regard to the program. When the training commences on the vessels, the ESU membership should be able to better discern the real nuts and bolts of this program. Until the Union knows the real direction of this program and what it entails, the ESU will take a wait-and-see attitude. To the credit of management, the ESU has received no complaints to date.

Training Courses Available In October

Training courses developed through the Joint Union Management Training Committee will be available to both deck and engine ratings in October. The Advanced Engine Operations Course (AEO) and the Advance Deck Operations (ADO) courses will be offered, as well as the Dangerous Liquids Course (DLC) that includes participants from both the deck and engine department

Classroom segments of the courses and lodging will be in Vallejo, CA, with time slated for use of the California Maritime Academy's "state of the art" simulator's for both engine operations and ship handling (deck) in Benicia, CA. The combined Dangerous Liquids Course is U.S. Coast Guard approved and upon successful completion of this course by the participants, certification will be issued allowing members to acquire the Tankerman-PIC endorsement.

Course dates are as follows: AEO: October 4 and 5; DLC: October 6 and 7; and ADO: October 11 and 12.

The Exxon Seaman's Union strongly supports membership participation in these courses and requests that interested members contact their Fleet Manning Administrator at an early date to make the necessary arrangements to attend, as there will be a limited number of slots available.

S/R Charleston to Singapore

The SeaRiver Charleston's canal saga continues, the vessels shipyard contract has been awarded to the Jurong Shipyard in Singapore. To prepare for this eventuality it is anticipated that the "Charleston" will acquire a westbound

cargo in the Gulf Coast region sometime around the end of August, then transit the Panama Canal for the fifth time this year for a discharge port somewhere on the West Coast. She is expected to be at the shipyard about the first of October.

EXXON SEAMEN'S UNION

Founded March 28, 1941

Affiliated with the Sailors' Union of the Pacific

701 W. Sterling Ave. Baytown, TX 77520 Tel (281) 420-9276 Fax (281) 422-0710 E-Mail: esubay@msn.com P.O. Box 792 Benicia, CA 94510 Tel (707) 746-5713 Fax (707) 746-7859 E-Mail: esuben@msn.com

President Jerry Patterson

Vice President John Straley Secretary/Treasurer Leo DeCastro Recording Secretary Thomas Thompson III Deck Trustee Patrick Campbell Engine Trustee William Ackley Steward Trustee Gerard Nelson

Sailors' Union of the Pacific/ Training Resources, Ltd.

Schedule of Course Offerings for 2003

STCW 95 Basic Safety Training

- Basic Fire Fighting
- · Basic First Aid
- · Personal Survival
- Personal Safety and Social Responsibility

Aug 11-15 Sep 22-26 Aug 25-29 Oct 6-10 Sep 8-12 Oct 20-24 Dec 8-12 Dec 15-19

Small Arms Training (MSC approved)

Aug 25-27

Nov 3-5

Dec 15-17

Nov 3-7

Nov 17-21

Sep 29-Oct 1

Nov 17-19

LMSR Vessel Training (MSC approved)

Aug 12-22

Oct 21-31

Dec 2-12

Sep 16-26 Nov 4-14

Survival Craft (Lifeboatman)

Aug 19-22 Sep 30-Oct 3 Oct 28-31 Nov 18-21 Dec 16-19

Contacts

Training Information and Enrollment

Rich Reed, SUP Welfare Plan Rep SUP Welfare Plan 450 Harrison St., San Francisco, CA 94105

Tel: (415) 778-5490 Fax: (415) 778-5494

E-mail: supwelfarerep@hotmail.com

Dave Connolly, SUP Vice President c/o Andrew Furuseth School of Seamanship 450 Harrison St., San Francisco, CA 94105 Tel: (415) 777-3400

Fax: (415) 777-5088

E-mail: daveconnolly@msn.com

Record of SUP Shipping July 2003

	Hdqs	Seattle	Wilm	Hono	Total
Bosun	4	1	5	1	11
Maint. Man	9	0	0	0	9
A.B. Daywor	ker 0	0	3	0	3
A.B	16	15	11	8	50
O.S	2	1	0	2	5
Standby	13	16	57	30	116
TOTALS	44	33	76	41	194

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Welfare Notes

AUGUST 2003

Eligible members of the Sailors' Union may elect to cover their dependents under either the Direct Payment Plan or one of the prepaid medical HMO (Health Maintenance Organization) or PPO (Preferred Provider Organization) plans and dental plans. Dependents living outside of the United States can only be covered under the direct payment plan.

Because of the uniqueness and diversity of the Sailors' Union membership, we now have many members and their families, as well as retired members, living overseas. When direct pay medical and dental claims are made by members, dependents, and retirees living out of the United States, some extra information is required before the Welfare Plan can reimburse the expense.

As written in the SUP Summary Plan Description, "All medical bills submitted to the Plan Office by dependents residing outside of the United States for payment under the Direct Payment Plan must be translated into English and converted into United States currency." This policy also applies to retired members on the Annual Allowance. Any claims submitted that do not have the medical or dental procedures preformed translated into English, and the bill amount converted to U.S. dollars, will be returned by mail.

The rising costs of prescription medicines have found more members and retirees purchasing their prescriptions out of country. When submitting reimbursement claims for prescription costs or co-payments, you must also remember to convert the payment amount into U.S. dollars.

If any members, dependents or retirees have questions, you may contact the Welfare Plan Office by U.S. mail, telephone or e-mail at supwelfarerep@hotmail.com

SUP Welfare Plan

450 Harrison Street, San Francisco CA 94105

Telephone Numbers:

Main	(415) 778-5490
Eligibility active members/dependents	(415) 778-5491
SUP Money Purchase Plan, SUP 401(k) Plan,	
Pensioner Medical Benefits	(415) 778-5493
Toll Free Number	(800) 796-8003

SUP LMSR graduates



July graduates of the SUP/Training Resources Ltd. Military Sealift Command required training for Large Medium Speed Roll-On/Roll-Off (LMSR) vessels.from left: Kyle Londagin, Sean Medina, Emanuel Rozada, Ryan Bowron, Mark Reed, Dale Gibson, Stephan Gordon, August Napier, and Mike Thomas. Photo: Dave Connolly

Eat more grains for breakfast and live longer

Harvard University researchers have found that the more whole-grain cereal a man ate, the less likely he was to die over a five-and-a-half year period. The men studied were part of a group of more than 86,000 physicians who were free of cardiovascular disease and cancer in 1982, when the study began. Over the course of the study, 3,114 died, 1,381 of them from cardiovascular disease.

Diet questionnaires revealed that men who ate more than one bowl of whole-grain cereal a day had a 17 percent lower risk of death than those who rarely or never ate whole-grain cereal, and a 20 percent lower risk of death from cardiovascular disease.

Whole grains have several advantages that may work together to enhance longevity. They lower lipid levels in the blood; improve sensitivity to insulin and glucose tolerance; and contain antioxidants, fiber and healthful B vitamins, folate and minerals.

"Paying attention to the whole grain and fiber content on your breakfast cereal box...and substituting whole-wheat bread for refined bread when making a sandwich would go a long way toward better health," says study investigator Dr. Simin Liu, director of Nutrition Research at Harvard Medical School and Brigham and Women's Hospital in Boston.

USNS Bob Hope pays tribute to Bob Hope

From Commander, U.S. Naval Forces Central Command/Commander, 5th Fleet Public Affairs:

The Military Sealift Command's (MSC) USNS Bob Hope (T-AKR 300) honored its late namesake by doing what Bob Hope would have wanted — supporting the troops. USNS Bob Hope has been deployed for the past 81 days in the Arabian Gulf in support of Operation Iraqi Freedom. During the ship's three main missions within the 5th Fleet area of responsibility, USNS Bob Hope transported nearly 38,912 tons of combat gear.

"The officers and crew of USNS Bob Hope have been proud to carry almost 40,000 tons of equipment in support of Operation Iraqi Freedom," said the ship's master, Captain Joseph "David" Henderson, Jr.

"Some of the equipment was used to support units like the 101st Airborne, a unit Mr. Hope entertained 33 years ago in Hue City, Vietnam. Some of it was water purifiers and construction equipment to

help in the rebuilding of Iraq," said Henderson, who hails from Sterling, Ill.

'He was a great man and a great American," said Dallas native Army Staff Sgt. Craig Lankford, who serves with Charlie Company, 103 Military Intelligence Battalion. "Bob Hope went out of his way to share hope and humor with a great many people, even though he didn't know them personally. He cared about the Soldiers. He brightened a lot of people's lives."

When former Secretary of the Navy John Dalton made the announcement that a new class of ships would be named for Hope, he called him a "military hero" and said, "We can never repay him for his contributions to the men and women in uniform, but we can show our appreciation with a class of ships named in his honor. This is our way of saying, 'Thanks for the Memories."

The USNS Bob Hope is crewed on deck by the SUP and operated by Patriot Contract Serices for the MSC.

Singapore lifts SARS requirements

Singapore's Maritime and Port Authority has brought to an end its requirement that health declaration cards should be submitted for the crews of all cargo and passenger vessels, incluyding ferries, arriving in the Southeast Asian republic. The move took effect from August 18. MPA said the decision follows the "improved global and local SARS situation".

Indian sailors storm shipowners' offices over wage dispute—Supreme Court bans the right to strike

Sailors from the Forward Seamen's Union of India effectively shut down the offices of the Indian National Shipowners Association (INSA) in Mumbai (Bombay) on August 19, demanding that shipowners sign a new agreement to increase wages.

The mariners warned that if a new wage pact was not agreed to by August 25, sailors aboard INSA vessels would go on a hunger strike.

The protestors left after an INSA official promised that the shipowners group would immediately take up the issue.

The action by Indian maritime workers comes in the wake of an August 6 landmark ruling by the Supreme Court outlawing strikes by government workers, even for just cause. The implications for maritime workers have only begun to sink in as the court's ruling is vague and does not specifically differentiate between government and private workers.

Prior to the ruling, the Maritime Union of Indian (MUI), which represents licensed personnel, was geared-up for a showdown with the shipowners to secure its demand for a wage increase that has been pending for more than a year.

Although the initial demand was for a 50 percent increase in the monthly wages of its members, MUI subsequently scaled this down to anything above the 9.5 percent rise given to unlicensed mariners under the National Maritime Board agreement six months ago. However, the INSA was reluctant to offer anything above five percent.

The last wage pact between INSA and MUI expired on March 31, 2002, and negotiations for a new agreement were delayed as shipowners wanted the existing wage structure simplified and consolidated before discussing wage increases.

Negotiations on the new agreement only started in June this year, but matters came to a head when the shipowners

asked for a one-year moratorium for the implementation of the wage pact under negotiation. They claimed that their coffers were empty as they were just recovering from the prolonged recession. Pushing the implementation date back to April 1, 2004, was simply not acceptable to MUI, which also rejected the INSA offer of five percent.

Fed up with the delaying tactics of the shipowners, the MUI then sought the support of sister unions. These included the National Union of Seafarers of India (NUSI), which represents unlicensed mariners, the Port & Dock Workers' Federation and other affiliates of the International Dock Workers' Federation, to secure its demands. On August 4, it gave a five-day strike notice to INSA. However, the August 6 order of the Supreme Court, denying the public sector employees' right to strike, changed everything overnight.

Attorney General Soli Sorabjee was one to react strongly and adversely to the Supreme Court's ruling, labelling their lordships' observations as "uncalled for" and "beyond comprehension. The freedom to collective bargaining and to strike are invaluable rights of employees, be they in the private or public sector. These rights were secured after years of toil and effort."

The Attorney General said that, in view of the working conditions in India, there could be horrendous situations in which the employees had no effective mechanism for redressing their grievances, and were left with no alternative but to resort to strike action. He added: "No one can dispute that strikes cause grave inconvenience to the public and damage the smooth functioning of the administration. Strikes should not be indiscriminate and resorted to for trivial reasons. The observation that employees have no moral or equitable right to strike was uncalled for."



Andrew Furuseth School of Seamanship volunteer instructor George Jackson and Wilmington Branch Agent Mark Hurley aboard the Lane Victory this month. Photo: Dave Connolly.

Congressional commemorative stamp resolution would honor merchant marine, featuring the s/s Lane Victory.

Rohrabacher (R-CA) and Frank LoBiondo (R-NJ) introduced House Concurrent Resolution 222.

"Expressing the sense of the Congress that a commemorative postage stamp should be issued in honor of the United States merchant marine.

"Whereas the United States merchant marine has provided critical support to the Armed Forces of the United States in periods of conflict throughout this Nation's history;

"Whereas the United States merchant marine has performed superbly, whenever and wherever needed across the globe;

"Whereas the S.S. LANE VICTORY was one of the vessels used by the United States merchant marine to transport equipment, troops, and supplies during World War II, the Korean conflict, and the Vietnam era;

"Whereas the S.S. LANE VICTORY, which stands today as a living museum, was named for Isaac Lane, an African American who rose from slavery to become a bishop in the Methodist Episcopal Church and who later founded Lane College in Jackson, Tennessee;

"Whereas the profile of the S.S. LANE VICTORY on a commemorative postage

In June, Representatives Dana stamp would heighten the Nation's awareness of the many acts of heroism rendered, and other contributions made, by individuals in the United States merchant marine; and

> "Whereas, in 2005, the S.S. LANE VICTORY will have her 60th anniversarv and, to commemorate this event, as well as to celebrate the victorious end of World War II, will embark on a worldwide goodwill voyage to bring her bit of history to the children of the world: Now, therefore, be it

> "Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that—

> "(1) a commemorative postage stamp should be issued by the United States Postal Service in honor of the United States merchant marine featuring the S.S. LANE VICTORY; and

> "(2) the Citizens' Stamp Advisory Committee should recommend to the Postmaster General that such a postage stamp be issued."

> The resolution was referred to the House Committee on Government Re-

Readers of the West Coast Sailors who are interested in seeing the stamp become a reality should contact their member of Congress and urge them to support HCR 222.

Coast Guard proposes national ballast water management program

The U.S. Coast Guard is proposing mandating vessels equipped with ballast tanks take measures to prevent and control the spread of nonindigenous species in U.S. waters through ballast water discharges.

Nonindigenous aquatic plant and animal species (NIS) are increasingly viewed as a global environmental problem with large and long-lasting ecological and economic impacts. Introduced into habitats where they are not native, NIS can degrade ecosystems, resulting in billions of dollars of direct and indirect costs annually, as well as adverse effects on human health and lifestyles.

In a Federal Register notice of proposed rulemaking published on July 30, the Coast Guard, under authority in the National Invasive Species Act of 1996, outlines a mandatory national ballast water management program for all vessels equipped with ballast water tanks that operate in U.S. waters and/or enter U.S. waters after operating beyond the exclusive economic zone (EEZ). Specifically, vessels entering U.S. waters after operating beyond the EEZ would be required to employ at least one of the following ballast water management practices:

- · Prior to discharging ballast water in U.S. waters, perform complete ballast water exchange in an area no less than 200 nautical miles from any shore;
- · Retain ballast water onboard the vessel;
- · Prior to the vessel entering U.S. waters, use an alternative environmentally sound method of ballast water management that has been approved by the U.S. Coast Guard; or
 - · Discharge ballast water to an approved reception facility.

Visas required for foreign mariners transiting U.S.

The U.S. Department of Homeland Security (DHS) has suspended two programs that waived visas for international travellers making connections at U.S. airports for flights or voyages to third countries. The suspension of the Transit Without Visa and International to International programs, which took effect on August 2, could create more difficulties for foreign seafarers.

According to Haight Gardner Holland & Knight, a Washington admiralty law firm, the action "may have an impact on such things as crew changes for ships where the crew member was planning to travel through the United States en route either to the ship or to home. Now, such non-U.S. persons will have to have a U.S. visa to perform the travel." Some cruise passengers transiting through U.S. airports are also likely to be affected.

The DHS said the greatest number of travellers using the visa loopholes transited through Miami, which handled 70 percent of the traffic, as well as Los Angeles and New York. The department said it suspended the programs because it has received specific intelligence indicating "that terrorist groups have been planning to exploit these transit programs to gain access to the United States or U.S. airspace without going through the consular screening process."

Security restrictions impact Indonesian sailors

forced to replace Indonesian crewmember because security-related restrictions at U.S. ports for ships, with Muslim crew have resulted in additional operating costs and difficulties.

Parcel tanker operator Jo Tankers told local newspapers it will lay off 100 Indonesian seafarers and replace them with Filipinos, while Carnival Corp's Holland American Line (HAL) has approached US legislators about the problems it faces with its own Indonesian employees, which comprise about 40 percent of HAL crew.

Chaplains and crew line officials have reported serious difficulties for Indone-

Dutch ship owners say they have been sian crew members, says the New Yorkbased Center for Seafarers' Rights, citing the National Security Entry Exit Registration System program. The program also requires them to register with immigration officials each time they enter and exit the United States. Dutch owners have traditionally employed Indonesian crew because of colonial ties. The International Shipping Federation says U.S. State Department changes to visa requirements for crew—which have further complicated and delayed visa processing for Muslim seafarers—could discourage ratification of the International Labor Organization Convention on seafarers ID.

Kiwi dock work halted by spiders

Dockworkers at the New Zealand South Island port of bluff were forced to stop work on a ship after several exotic spiders were discovered, according to a New Zealand Press Association (NZPA) report.

Maritime Union of New Zealand Bluff Branch secretary Ray Fife said the spiders were spotted by workers on the 23,000 DWT Tasman Endeavour at Tiwai Point smelter on August 6. The NZPA report said that a nest of eggs was also found. Work was stopped and Ministry of Agriculture and Forestry staff sprayed the vessel and allowed work to resume the next day.

It was not known what kind of spider it was or where it was from. The Union said the ship had visited Auckland, Wellington and New Plymouth without the spiders being spotted.

Five indicted in Florida for smuggling "seamen"

The U.S. Attorney for the Southern District of Florida has stated that five people have been indicted for bringing aliens into the United States by falsely asserting that the aliens were seamen joining ships in U.S. ports.

The indicted individuals allegedly prepared false identification documents and made false statements to government officials. If convicted, the defendants face between five and ten years' imprisonment and fines of \$250,000 as to each count. Maria Machado Diaz, Larry Milton, Guillermo Vidaurre, Delber Diaz, and Marvin Joseph, Jr., are being charged with migrant smuggling.

The agencies have been investigating Diaz and associates since October 2002. Undercover agents conducted numerous operations in which they purchased false mariner employment documents, kept tight surveillance and obtained video and audio recordings from and of the suspects. The indictment charges that the defendants sent numerous letters to the United States government stating that certain aliens were guaranteed employment on ships docked in Miami. In each case, the aliens were not guaranteed employment on the vessels as stated by the defendants. The indictment also charges that by sending the letters, the defendants were inducing and encouraging the aliens to enter the United States despite knowing that the aliens did not have authority to enter the country.

All suspects arrested were placed in the custody of the United States Marshals. Diaz is being held on a \$50,000 corporate security bond. Milton and Vidaurre were both released on \$50,000 personal security bonds.

Marcos Daniel Jimenez, United States Attorney for the Southern District of Florida, commended the investigative efforts of the United States Coast Guard Investigative Service, Coast Guard Marine Safety Office, and the Bureau of Immigration and Customs Enforcement. The case is being prosecuted by Assistant United States Attorney Scott E. Ray.

Australia warns on crew standards

The Australian Maritime Safety Authority (AMSA) is examining options to strengthen cooperation with cargo and charter interests to weed out sub-standard shipping, but says the challenge lies in crew standards. AMSA chairman Dr. Ken Moss told a maritime industry workshop in Fremantle that cargo and charter interests must avoid being associated with unsafe and potentially polluting ships. AMSA chief executive Clive Davidson said that the standard of ships calling at Australian ports had improved markedly, but there had been a noticeable decline in the competence of visiting ship crews. Davidson said that tackling the "human software" problems in shipping was far more challenging. "Human error is a constant feature in accidents," he said. "There are all sorts of issues such as fatigue as a result of the pressure on crews."

Matsonia is back in action



Crew of the Matsonia takes a blow while preparing to depart Richmond, CA, inner after a short layup. Standing from left: Mar Vista grad O.S. David Sanchez, Karoly Kovacs, Michael Soper, Ed Drake and Bosun Frank Portanier. In front: Roberto Grange and Art Kardinal. Photo: Dave Connolly.

Lewis and Clark commemoration will honor America's waterways

In 1803 Lewis and Clark received approval from Congress to search for navigable waterways routes to the Pacific Ocean for the purpose of expanding commerce for the young America. Now, nearly 200 years later, that historically significant event will be reenacted and commemorated along the inland waterways beginning on August 31 in Pittsburgh, PA, and concluding in November in Cairo, IL.

There will be special events throughout this period, including U.S. Army Corps of Engineers-developed exhibits, school curriculum projects, and wooden replica vessels. Events will highlight the value of our modern commercial waterways and how they have changed since Lewis and Clark's early explorations.

A consortium of commercial towing companies and related river-based service companies led by Ingram Barge Company (Nashville, TN), are sponsoring a modern Ohio River towing vessel to travel with and in support of the Lewis and Clark re-enactment event. The towing vessel, typical of the modern trade, will follow the re-enactors from Pittsburgh (August 31) to Cairo, IL (November 20) to help communicate re-enactor movements and to make Ohio River cargo carriers moving along the route aware of the activities. In addition, this towing vessel will push the Corps of Engineers' exhibit barge down the river, be available to assist if breakdowns occur aboard the keelboat, and transport a portable dock barge to support the stop at each city on the Ohio River.

The public can tour the Corps' exhibit barge and navigation industry towboat, and find informational brochures and historical data about Lewis and Clark.

"In the 200 years since Lewis and Clark began their journey, our waterways system has developed into a global artery of commerce for the nation and the world. We are proud to be a part of this special event commemorating our ageless waterways system that is so much a part of our past, our present and our future," said Barry Palmer, President & CEO of Waterways Work!

U.S. Customs warns of 'agro-terrorism'

U.S. inspectors at ports and borders will soon be trained to watch out for "agroterrorism," or the smuggling of pests or diseases that could be harmful to U.S. agriculture, a U.S. official said on August 13.

Robert Bonner, the Commissioner of the U.S. Customs and Border Protection division of the Department of Homeland Security (DHS), told a conference of agriculture officials in Washington State that the training will begin in October. Bonner said his agency was particularly concerned that terrorists might try to import diseases like BSE (mad cow disease) which recently devastated British dairy farming. The training will increase expertise in such matters from the 2,000 inspectors once employed by the Department of Agriculture to the 16,000 inspectors from other agencies who have been integrated into the DHS. He said some inspections will take place in foreign ports that have agreed to allow U.S. agents to inspect containers on vessels bound for U.S. ports.

Al Qaeda haunts security meeting

The maritime threat posed by Al Qaeda was raised throughout a security conference held in Charleston this month. Retiring Senator Fritz Hollings (D-SC) pointed out how easy it would be for terrorists to take command of a tanker and sail it into a coastal oil refinery, but accused U.S. port officials of failing to grasp such a possibility. "Most of the port leadership is not interested in us," he told the National Defense Industrial Association. They merely "want to unload and load, and how quickly they can do that is the name of the game." Hollings said the lack of support from ports had prevented Congress from fund-

ing a program to build coastal towers that would allow U.S. officials to track vessels the same way they track planes.

Sean Kittrell, the assistant U.S. attorney general, estimated that Al Qaeda may control 50 vessels and had the potential to use those ships to carry a nuclear device. Chuck Raymond, the CEO of Horizon Lines, urged the U.S. government to begin collecting information on shipments before a container is loaded. "The location where the goods are initially stuffed into a container to begin their journey is the initial point at which shipment information should be captured," he said.

Labor DayHow It Came About and What It Means

LABOR DAY differs in every essential from other holidays of the year of any country," said Samuel Gompers, founder and longtime president of the American Federation of Labor, in an address almost 100 years ago. "All other holidays are in a more or less degree connected with conflicts and battles of man's prowess over man, of strife and discord for greed and power, of glories achieved by one nation over another. Labor Day ... is devoted to no man, living or dead; to no sect, race, or nation."

Labor Day, the first Monday in September, is a creation of the present-day labor movement. In a larger sense it is a holiday dedicated to the social and economic achievements of American workers, and constitutes a yearly national tribute to the contributions they have made to the strength, prosperity, and well-being of our country.

Founder of Labor Day

Peter J. McGuire first proposed a general holiday for the laboring classes, a day "which shall be Labor's--an occasion devoted to the industrial spirit, the great vital force of every nation."

According to the record, it was McGuire, at that time general secretary of the Brotherhood of Carpenters and Joiners, and a delegate to the Central Labor Union of New York, who proposed a motion at a meeting of the latter group on May 8, 1882, recommending that one day in the year be designated as "Labor Day" for the purpose of honoring "those who from rude nature have delved and carved all the grandeur we behold."

He suggested the first Monday in September for the holiday he had in mind, "as it would come at the most pleasant season of the year, nearly midway between the Fourth of July and Thanksgiving, and would fill a wide gap in the chronology of legal holidays."

McGuire's resolution was adopted and a committee was appointed to plan a demonstration in line with his suggestion of a street parade, "which would publicly show the strength and esprit de corps of the trade and labor organizations," to be followed by a "picnic or a festival in some grove."

The First Labor Day

The first Labor Day occurred on Tuesday, September 5, 1882, in New York City, in accordance with the plans of the Central Labor Union. As reported in the New York World of September 6. 1882:

The great labor demonstration and picnic yesterdayunder the auspices of the Central Labor Union, composed of the various trade and labor organizations of NewYork City and neighborhood, was very successful.

The New York Central Labor Union held its second labor holiday just a year later, on September 5, 1883. In 1884 the first Monday in September was selected as the holiday, and the central body urged similar organizations in other cities to follow the example of New York and celebrate a "workingmen's holiday" on that date.

The idea spread with the growth of labor organization, and in 1885 Labor Day was celebrated in many of the industrial

ATTENTION: CALIFORNIA UNION MEMBERS

...workers are the target again!

The politicians behind the recall oppose every effort for overtime pay, prevailing wage, paid family leave, union agreements, and tough new job safety rules.

These politicians have fought every pro-worker law and now are spending \$35 million of our tax dollars promoting the recall.

THE REAL RECALL PLAN IS TO ...

RECALL DAILY OVERTIME!
RECALL PREVAILING WAGE!
RECALL PAID FAMILY LEAVE!
RECALL UNION AGREEMENTS!
RECALL JOB SAFETY!
RECALL HEALTH CARE PROTECTIONS!



THEY'RE WILLING TO DO ANYTHING
TO TAKE AWAY WORKER GAINS.
DON'T LET THEM SUCCEED.



SAY NO TO THE RECALL

California Labor Federation, AFL-CIO, 600 Grand Avenue, Suite 410, Oakland, CA 94610

centers of the country.

Labor Day Legislation

Through the years the Nation gave increasing emphasis to, Labor Day. The first official recognition came through municipal ordinances which were passed during 1885 and 1886. From them developed the movement to secure State legislation.

The first bill was introduced into the New York Legislature, but the first to become law was passed by the Oregon Legislature on February 21, 1887. During that year four more States-Colorado, Massachusetts, New Jersey, and New York--created the Labor Day holiday by legislative enactment. By the end of the decade Connecticut, Nebraska, and Pennsylvania had followed suit.

By 1894, 23 more States created the State holiday in honor of the workers, and on June 28 of that year, Congress passed, without discussion, an act making the first Monday in September of each year a legal holiday in the District of Columbia had the Territories.

A Nation-Wide Holiday

The recognition accorded Labor Day by act of Congress added materially to the significance of the movement and to the prestige of the holiday itself. By 1900 most of the States had recognized Labor Day officially, and the forty-eighth State to fall in line was Wyoming, which passed its Labor Day law as recently as February 1923. The significance accorded Labor Day by the Nation is attested by the fact that no Federal legislation created it. It was the willing recognition of the citizenry through local and State action.

The form that the observance and celebration of Labor Day should take were outlined in the first proposal of the holiday-a street parade to exhibit to the public "the strength and esprit de corps of the trade and labor organizations" of the community, followed by a festival for the recreation and amusement of the workers and their families. That became the pattern for the celebration of Labor Day. Addresses by prominent men were intro-

duced later, as more emphasis was placed upon the economic and civic significance of the holiday. Still later, by the adoption of a resolution introduced into the American Federation of Labor convention of 1909, the Sunday preceding Labor Day was adopted as Labor Sunday and dedicated to the spiritual and educational aspects of the labor movement.

The widespread acceptance and observance of Labor Day made it within a few days, a national holiday with the same status as the patriotic and religious holidays whose history and traditions went much further back into the national life.

The strength and activity of the American trade union movement are evidence of the real attempts of this Nation to provide and maintain freedom for the individual and his voluntary associations.

It is appropriate, therefore, that Labor Day is a time to take stock of and pay tribute to the creator of so much of this Nation's strength, freedom, and leadership-the American worker.

-U.S. Department of Labor



SUP President's Report

August 11, 2003

MARITIME SECURITY PROGRAM

With both houses of Congress in recess until after Labor Day, work continues on the senior staff level to reconcile the Senate and House versions of a new Maritime Security Program (MSP).

As previously reported (May and June issues of the *West Coast Sailors*) both bills would establish a program that would run until September 30, 2015. Both provide for a fleet of 60 militarily useful, commercial U.S.-flag ships.

The current program expires on September 30, 2005 and has 47 vessels, nine of which are operated by American Ship Management.

As far as the citizenship requirement is concerned, both the Senate and House versions will allow so-called "documentation citizen" companies to compete on an equal basis with Section 2 (as defined by the Shipping Act of 1916) companies.

The SUP and MFOW were adamant in our opposition to changes in the Section 2 citizenship requirement and were, in fact, the only Unions to do so. While many members of the House Armed Services Committee and Senate Commerce, Science and Transportation Committee agreed with our position, the process by which the legislation was formulated and how it passed both Houses—without public discussion or debate—effectively made the citizenship issue moot. Key to this historic reversal of American maritime policy was the overriding influence of the U.S. Transportation Command (TRANSCOM), which made it clear that it considers "documentation citizen" companies reliable to transport Defense Department cargoes in MSP vessels and that they would respond if activated under VISA (Voluntary Intermodal Sealift Agreement).

The key difference between the two bills is the amount of money paid to participating companies to offset crew costs. The Senate pegs the amount at \$3.1 million per ship per year while the House version is \$2.6 million. The current amount of \$2.1 million has not increased since 1995.

In order to ascertain the status of the legislation, which is critical for the membership, spent July 28-30 in Washington, D.C.

As the membership will recall, the purchase of American President Lines by Neptune Orient Line in April 1997 precluded APL from operating its MSP vessels directly due to the Section 2 citizenship requirement of the 1995 legislation. Subsequently, American Ship Management was formed and the MSP operating agreements were transferred to ASM with APL owning the ships through a trust. In October 1997, the SUP, MFOW and SIU-Marine Cooks (which comprise the SIUNA Pacific District) collective bargaining agreements with APL were assumed by ASM.

The concern of both the SUP and MFOW since that time has been whether APL would remain under U.S. flag if a new program is enacted after September 30, 2005, and if it did, would it resume its collective bargaining relationships with the SUP/MFOW, etc.

In previous meetings with APL representatives in Washington (October 2002 and June 2003 issues of the *West Coast Sailors*), new MSP legislation either had not yet been drafted or was still being formulated by the House Armed Services Committee. At those meetings, the determining factor for company participation was economics.

With a new MSP on the verge of being enacted, the economics of the program remains the determining factor for APL.

Given the fact that both the House and Senate versions of MSP would allow "documentation citizen" operators like APL to operate its own vessels, the decision of whether APL will participate is critical to the membership.

In the meeting last month, APL's representative stated that participation is contingent on the amount of the annual MSP payment or subsidy, the amount of government-impelled preference cargo over the ten-year life of the new program and the ability of APL to withdraw from the program if there isn't enough preference cargo to economically justify a U.S.-flag operation.

Of the legislation pending, APL stated the \$2.6 million per ship, per year in the House bill is inadequate, while the \$3.1 million is more palatable. The amount of preference cargo is also a major factor as, again, it is needed to provide a steady revenue stream over ten years to maintain a U.S.-flag fleet. Currently, according to APL, the \$2.1 million per ship per year falls far short of covering crew costs and that the overall APL U.S.-flag operation has been a money-loser since MSP replaced the old Operating Differential Subsidy Agreement. In fact, it was stated that there wasn't sufficient preference cargo to operate nine U.S.-flag ships in the trans-Pacific trades and that five vessels could probably pack the freight.

However, APL did not indicate that the problems were insurmountable, but that for the company to participate in MSP post 2005, its U.S.-flag operations had to show a profit.

If the issues APL perceives to be a problem are overcome, the company will participate in the program and operate its own ships and most importantly with the same Unions that it has historically had a collective bargaining relationship with—including the SUP.

While in Washington, also discussed MSP and other maritime issues with Maritime Administrator Captain William Schubert; James Caponiti, MarAd's Associate Director for National Security; James Patti, Executive Director of MM&P's Maritime Institute for Research and Industrial Development (MIRAID); Lindsay McLaughlin, ILWU Washington Representatives; and Gloria Tosi, President of MEBA's American Maritime Congress (AMC).

In addition met with Rusty Johnston, General Counsel to the House Armed Services Committee and a key aide to the Committee's chairman, Duncan Hunter (R-CA) and a major player in reconciling the House and Senate versions of MSP.

In an overview of the current MSP legislative process, Johnston stated that TRANSCOM, under pressure from Maersk Line, was eager to have MSP reauthorized now —in the 108th Congress— to avoid possible legislative uncertainty in 2004 and 2005. Although Chairman Hunter held MSP hearings last year and was a champion of the principle of having Section 2 citizen companies hold MSP operating agreements (July 2002 West Coast Sailors), TRANSCOM told him that the Defense Department had been dealing with documentation citizen companies for many years and found them to be reliable. Maersk has had DOD business since 1948 and currently transports approximately half of the military's waterborne cargo.

According to Johnston, TRANSCOM also informed Chairman Hunter that new MSP funding would come out of the Defense Department budget, thus avoiding a legislative fight to find a source for the money given the constraints of the federal budget. TRANSCOM was apparently also successful in convincing Senator John Warner (R-VA), Chairman of the Senate Armed Services Committee and Senator John McCain (R-AZ), Chairman of the Commerce Committee, to follow this course.

As far as the annual payments are concerned, Maersk has informed those involved in the legislative process that the \$2.6 million per ship per year is adequate while APL has taken the opposite position. However, TRANSCOM has told members of the House and Senate involved in this issue, that it is essential for the viability of the program that both APL and Maersk are participants since the land and sea assets both companies bring to the table dwarf all others. Johnston stated that efforts are being made to accommodate APL.

Final resolution on a new MSP could come in September or early October.

MATSON NAVIGATION COMPANY

As reported last month, Matson announced that it

will time-charter the *s/s Great Land* from TOTE (Totem Ocean Trailer Express) to haul automobiles from the West Coast to Hawai'i. Informed sources indicate that the charter is for two years with three one-year options and the vessel will go into service some time in the fourth quarter.

The SUP and MFOW continue to review remedies under the collective bargaining agreement particularly if the *Great Land* replace a Matson vessel.

The SUP and MFOW, in conjunction with the MM&P, MEBA and ARA, sent a letter to Matson President and CEO James Andrasick requesting a meeting to discuss the time-charter issue.

BUILDING CORPORATION

The SUP Building Corporation met at Headquarters on August 7 to continue discussions on the 450 Harrison Street property and to hear reports from professionals retained by the Trustees on the status of the building in regards to the planning process in the City of San Francisco. All Trustees were present except for Paul Calais who is in the *Mokihana*. (For background on the 450 Harrison issue, refer to the March and July issues of the *West Coast Sailors*.)

The discussions began with Mr. Richard Springwater, a respected San Francisco architect who has been involved in development issues with the City, stating that given the inquiries he has made over the past month, the San Francisco Planning Department considers 450 Harrison an historic building—particularly the facade, rotunda and possibly the hiring hall. What this means is, if the building was sold, it would be highly unlikely that the City would approve demolition of the structure for high-rise development if those elements of the current structure are not left intact.

As requested by the Trustees on July 2, Mr. Springwater in association with Darryl Roberson of San Francisco-based Studios Architecture and Tom Larsen, a real estate attorney with the San Francisco law firm of Howard, Rice & Nemerovski presented a preliminary study on how much it would cost to bring 450 Harrison Street into compliance with City building codes. The cost was conservatively estimated at \$1.5 million. If the building was sold today "as is" the price would probably be for approximately \$5 million.

It should be noted that real estate advisor Tony Crossley, Senior Vice President of Colliers International, reported to the Trustees that Crescent Heights Acquisitions, Inc. has not made a counter offer to the one submitted in June. This was also reported on in the July issue of the *West Coast Sailors*.

Mr. Springwater said that under the proposed Rincon Hill plan, a 400-foot residential tower (containing 272 residential units) could be built on the 450 Harrison site in a manner that would preserve the facade, rotunda and the Union offices, thereby mitigating the historic issues of concern to the Planning Department.

It was unanimously decided by the Trustees to authorize the expenditure of \$10,000 to fund meetings with the Planning Department to ascertain its level of enthusiasm for a 400-foot tower. Springwater, Roberson and Larsen indicated that the Trustees would receive feedback in September, after meeting with the Planning Department.

If the tower is approved, it would cost an estimated \$1 million to fund the efforts necessary to obtain the necessary permits or "entitlements." If the Planning Department and Planning Commission approves the plan, the Trustees, through Mr. Crossley, would pursue discussions with experienced developers to ascertain their interest in funding all or part of the entitlement costs in exchange for an option to purchase the building for a fixed price or for a share of the profits from the sale of residential units in excess of \$5 million.

Mr. Larsen explained to the Trustees that there is likely to be an Environmental Impact Report study regarding the entire Rincon Hill area and that it is very important that 450 Harrison Street be included in that study or it would be much less likely that the site could be entitled. Larsen added that it would probably take at

President's Report continued =

least two years to obtain entitlements.

Will keep the membership fully informed on the efforts of the Trustees to protect and increase the value of 450 Harrison.

SUP ELECTION: NOMINATIONS

In accordance with Article XII of the SUP Constitution, nomination of regular Union officers for the 2004-2006 term shall be made at the Headquarters and Branch meetings in September.

Written notice of this fact will be published in the August edition of the *West Coast Sailors* and posted in all halls.

Any eligible member may place his/ her own name in nomination for any regular office or may be nominated by another member.

Nominations may be made either in person or by mail; however, any nomination made by mail must be received at the Branch or Headquarters at least one day prior to the meeting at which nominations will be received.

The Headquarters meeting is on September 8, 2003, and the Branch meetings are on September 15, 2003.

The names and membership numbers shall be recorded in the minutes. The Balloting Committee, which will be elected at the September Headquarters meeting, shall prepare a list of names and nominees for each office and forward copies thereof to each Branch. Such lists will be conspicuously posted in each office or hall. All nominees shall be notified by mail of their nomination and such notice shall be mailed within five working days after the nominating meeting.

Any member of the Union shall be eligible to be a candidate for and hold any regular office, provided he/she possesses the following qualifications:

-He/She is a member in good standing at the time of nomination.

-He/She achieved "B" seniority as defined in the SUP Shipping Rules; and

-He/She is not disqualified by law. A member shall not be eligible to be a candidate for and hold any regular office if within the past five years he/she has been convicted of, or served any port of a prison term resulting from conviction of robbery, bribery, extortion, embezzlement, grand larceny, burglary, arson, violation of narcotics laws, murder, rape, assault with intent to kill, assault which inflicts grievous bodily injury, or violation of Title II or III of the Landrum-Griffin Act, or conspiracy to commit any such crimes.

The regular union offices for the 2004-2006 term shall be in accordance with Article X of the SUP Constitution: one President/Secretary-Treasurer, one Vice President/Assistant Secretary-Treasurer, one Seattle Branch Agent, one Wilmington Branch Agent, one Honolulu Branch Agent, one San Francisco Business Agent and five Trustees for the SUP Building Corporation, two of whom do not hold any other Union office. In addition, three delegates to the SIUNA Convention,

which will be held this year, are subject to the nominating procedure.

In accordance with Article XII of the SUP Constitution, no one may be a candidate for more than one office with the exception of the position of Trustee of the SUP Building Corporation and delegate to the SIUNA Convention.

CALIFORNIA LABOR FEDERATION: SPECIAL CONVENTION

Due to the misguided recall petition to oust California Governor Gray Davis that qualified for an October 7 special election, the California Labor Federation, AFL-CIO—in accordance with that organization's Constitution—is holding a special convention on August 26 at the Manhattan Beach Marriott Hotel in Manhattan Beach, California.

The Convention will address three issues: 1) To oppose or support the recall; 2) An endorsement, if any, of the candidates that wish to replace Governor Davis if the recall succeeds; and 3) Act on propositions that have qualified for the ballot by initiative.

The Executive Council of the Federation voted this months to oppose the recall, but not to endorse another candidate. Your secretary serves on the Executive Council and is a Vice President of the Federation.

The SUP is entitled to six delegates to the Convention. Recommend that Vice President Dave Connolly, Wilmington Branch Agent Mark Hurley, Bob Burns, Keith Miller, Grant "Eli" Wegger and your secretary be designated as delegates.

BURGESS v. SUP

Wayne Burgess filed yet another charge against the Union with the National Labor Relations Board on July 18, alleging that the Union "discriminatorily passed over for dispatch member Wayne Burgess and other members, due to arbitrary, invidious and/or capricious reasons."

As of today's meeting, the NLRB has not contacted either the Union or Unionattorney Ellen Greenstone of the law firm of Rothner, Segall & Greenstone as to the basis of Burgess' allegations.

LABOR DAY

All SUP halls will be closed on Monday, September 1, in observance of Labor Day which is a holiday under all SUP collective bargaining agreements.

ACTION TAKEN

M/S to elect Connolly, Hurley, Burns, Miller, Wegger and Lundeberg as delegates to the California Labor Federation Convention. Carried unanimously.

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

Gunnar Lundeberg

Attend your Union meetings

Vice President's Report

August 2003

USNS Shughart

This ship departed Beaumont, TX in April after loading the gear of the 1st Armored Division passed through the Suez and Red Sea, and discharged her cargo in Kuwait in May before the official start of the war. Departing Kuwait under military escort, the ship hove to in Diego Garcia. In July she received her orders to load in Kuwait and returning there took on 2,200 vehicles and other equipment. Heading east, she off-loaded containers in Japan, and arrived August 19th in Long Beach.

Wilmington Branch Agent Mark Hurley and I went aboard and talked first to the delegate Inti Sternbach. Sternbach informed us that despite a four month and a half month voyage round the world, with four loads and discharges and a 60 day stay in Diego Garcia, there were no beefs and no disputed time. It's no easy feat to bring in a clean ship anytime, but even tougher in an LMSR working cargo during wartime around the globe. I attribute this to the skill and SUP experience of the delegate Sternbach and the bosun Charlie Bulmer. Kudos and regards.

Executive Paywatch

Wages of workers in transportation are under pressure everywhere. With the help of threatened or real bankruptcy and declining capacity, U.S. airlines have slashed jobs and forced concessions from the remaining aviation workers. A global trend of deregulation in railroads has put the wages of railway workers on the chopping block. In maritime, as was reported in the July issue of the West Coast Sailors, that the wages of able seamen in flag-of-convenience ships represented by the International Transport Workers Federation (ITF) remained frozen for the second straight year at \$465 per month. Yet despite plummeting stock prices and declining revenue, pay for corporate executives continues to spiral upward. According to *The New York Times*, the average CEO compensation package in 2002 equaled \$10.83 million. While pay cuts for the highest paid CEOs reduced the size of the average compensation package, most CEOs actually got pay raises. Median CEO pay increased by 6 percent in 2002, at the same time that most workers' paychecks were reduced. And while shareholders of U.S. stocks—including workers who depend on the stock market for their retirement savings and pensions have lost \$7 trillion since the stock market peak, today's CEO pay packages are about the same as what they were before the bear market hit. The AFL-CIO's Executive Paywatch website (http://www.aflcio.org/corporateamerica/paywatch) provides a good summary of these trends and some useful tools for compensation comparison.

A good example was reported in the May issue of the *West Coast Sailors*. W. Allan Doane, Chairman and CEO of Alexander Baldwin, raked in \$665,000 in salary in 2002. He also collected \$587,400 in bonus money. In long term incentive pay, he received \$125,400. In restricted stock awards, he got \$187,808. In the value of stock option grants and other compensation he posted another \$365,390. In sum, Mr. Doane was paid \$1,930,161 in total 2002 compensation. Expressed another way, an average able seamen making \$46,000 per year would have to work 41 years until 2044 A.D. to equal Mr. Doane's 2002 salary. Despite this outrageously excessive compensation, Alexander and Baldwin stock opened in January of 2002 at 25.85 and closed in December at 25.79. With flat performance and a below industry average return on equity, why should investors, analysts, employees, or anyone else consider Mr. Doane's time worth his almost 2 million dollars in annual compensation?

Ships Checked

Cape Gibson. Delegate Erik Williams; bosun Danny Foster. Call from the delegate indicates that ship is running smooth. Headed into the shipyard in Japan, then back to the Gulf.

USNS Bob Hope. Delegate Nan Gray; bosun Dan Ycoy relieving Emmert Holloway. In at Savannah with minor clarifications.

USNS Gilliland. Due to sail shortly from Norfolk.

 \boldsymbol{USNS} $\boldsymbol{Gordon}.$ Bosun Randy Runyan. Underway in the Indian Ocean.

USNS Fisher. Bosun Art Pond. Underway in Persian Gulf.

USNS Seay. Delegate Eric Hands; bosun Mike Henderson. Paid off in Charleston with minor issues squared away.

USNS Benevides. Bosun Bernie Lape. In shipyard in New Orleans, calling for a full gang on September 2.

USNS Brittin. Bosun Mark Littlejohn. In Newport News.

USNS Mendonca. Bosun Mel Kelly. Just sailed from Diego Garcia.

USNS Pililaau. Delegate Joel Schor; bosun James Kenny. In Diego Garcia.

Dave Connolly

USNS Shugart calls West Coast



After four-and-a-half months at sea, the Large Medium Speed Roll-On/Roll-Off (LMSR) vessel USNS Shugart arrived at the port of Long Beach on August 19. Pictured from left are: AB Kirby Siville, AB Eugene Moquin, AB Robert Clemens, AB Charles Martin, SUP Vice President Dave Connolly, Delegate Sonny Sternback, O.S. Phil Romei, and Bosun Charles Bulmer.

SUP Branch Reports

Seattle

July 21, 2003

Shipping: 1 boatswain, 25 AB's, 1 AB return and 5 OS. Filled by 5 A members, 4 B members, 4 C members and 19 D registrants.

21 Standbys filled by 4 A-cards, 12 Bcards, 2 C-cards and 3 D-cards

Registration: 15 A-cards for a total of 28; 16 B-cards for a total of 25; 8 Ccards for a total of 16; and 12 D cards for a total of 19.

Ships checked

President Adams; President Polk; President Truman and President Jackson all back from the Far East with little or no trouble. Maui and Kauai in twice and starting to change over to the one-man watch. Both of these ships are in outstanding condition due to the efforts of the licensed and unlicensed seamen who sail in these bottoms.

Rich Reed who is the SUP Welfare Plan Representative flew up from San Francisco and met with the membership and answered all questions. I have sailed with Rich and he is an outstanding seaman and a good shipmate. He is easy to talk with and if you have any question regarding medical issues for you or your family, please call him.

During the past several months there has been quite an increase in people seeking employment into the maritime industry. Most who call or come in to the Union hall are workers who have been laid off and have been unable to find work in their respectful fields or elsewhere, many are former Boeing workers. Jobs are scarce and the outlook for finding work in the Pacific Northwest is extremely grim. Washington State has recently cut unemployment benefits.

The Bush administration is trying to put an end to "overtime pay". All of us need to help change the direction of our government in their pursuit to eliminate any and all of our hard fought workers rights. Call your union agent and they will help you find a "labor friendly" candidate in your area where you can help by stuffing envelopes, building signs, working with computers or answering the phone. Everyone must get involved. If you are unable to help physically please contribute to the SUP Political Fund. Your job depend's on it.

Vince O'Halloran **Branch Agent**

Wilmington

July 21, 2003

Shipping: Bosun: 6, AB:16, AB Maint.:4 OS: Utility: Stew: Mess: Oiler: Standby: 63

Total Jobs Shipped: 89

Registration: A:54, B:30, C:13, D:2

Ships checked

Ewa, Joe McDonald-delegate, Lihue, Rob Morgan-delegate, D. Nash: APL Singapore, Mokihana, Lurline, President Adams, Chief Gadao, APL Korea, Manoa, Ewa, President Polk and Lihue; Hurley: APL Philippines, Lurline, Mike Jasttrzebski-delegate, Mahimahi, President Truman, Jack Swain-delegate, Chief Gadao, Dean Smith-delegate, APL China, President Wilson, Ewa (fix T.V.!), Lihue, APL Thailand, President Grant.

Duane Nash was acting agent while I was on vacation and did his usual bang up job. Besides making all the ships for two weeks, he hosted the June 26th Harbor Labor Coalition Meeting.

On July 18, Bill O'Brien and I along with representatives from the Pile Drivers' Union, ILWU and the Port Pilots talked to about 20 high school students about the maritime industry, the Harbor and Unionism at the Harry Bridges Institute (HBI). The event was put together by HBI's Shannon Donato. That evening, we had another Harbor Labor Coalition Meeting at our Hall. The new bandanas are in for the upcoming Labor Day Parade. "Human Need, Not Corporate Greed" is this year's theme. September 1 will be our 24th Labor Day Parade. Let's show up and march under our banner.

On June 1, at 44-09.5 N Latitude, 148-01.7 W Longitude burial service was held for SUP retiree, Pasquale Gazillo from the deck of the President Truman. Thank you Captain Surman and crew. MFOW's Pasquale Jr. was in attendance.

Thanks to Peter Benavides for representing Wilmington and all who were on the Committee on Constitution for serving our great Union.

Gunnar Lundeberg attended our July 21 meeting and reported on Union buisness. He also explained the importance of the LMSR fleet and what it means to our Union. The Wilmington Branch always appreciates Gunnar's visits.

> Mark Hurley Branch Agent

Honolulu

July 21, 2003

Shipped during the month of June, 1 bosun relief, 1 bosun return, 1 AB, 1 AB relief, and 1 OS. These jobs were filled by: 2 A members and 3 B members. Also shipped 22 standby jobs filled by: 2 A members, 14 C members and 6 D registrants, for a total of 27 jobs shipped.

Registered during the month of June: 3 A members, 6 B members, 2 C members and 1 D registrants. To date registered are: 9 A members, 9 B members, 6 C members and 6 D registrants for a total of 30 registered.

Ships checked

Maui, Lurline, Chief Gadao, Matsonia, Kauai, Ewa, R.J. Pfeiffer, Lihue, and Manulani. Matson's illogical overtime directive has caused turmoil and confusion amongst the fleet vessels. Paint and rigging gang running smoothly with Keith Kamana as bosun.

Making preparations for the 2003 Labor Day march and rally to be held on Monday September 1 starting at 0800. This year's rally theme is the plight of immigrant workers. All hands are urged to attend.

Hawai'i's junior U.S. Congressman Ed Case has started his anti-Jones Act rhetoric around the state again. Measures being taken to constrain his proposals and to educate this dupe of the agricultural

> Mike Duvall Branch Agent

Norfolk Office

July 2003

In the month July, shipped 2 bosuns, and 3 ABs, taken by 3 B members and 1

I presently have two ships at Newport News, the Brittin and Gilliland, in FOS when and where, is top secret. The rest are all over the globe.

Soon Operation Bright Star, will be upon us, which always involves the

The Bob Hope and the Cape Gibson are due in soon. The *Shugart* and *Fisher*, are due in Southern California soon.

I'm sure the Cape Gibson had a fine trip with Danny Foster as the bosun.

> Jack Stasko SUP/MFOW Rep.



ILWU election results

Warehouse Union (ILWU) triennial election of titled officers, International Executive Board members and Coast Committeemen concluded on July 31.

Incumbent International President James "Spinner" Spinosa, International Mainland Vice President Robert "Big Bob" McEllrath and Coast Committeemen Ray Ortiz, Jr. (California) and Joe Wenzl (Pacific Northwest) were unopposed on the ballot and reelected.

For the office of International Hawai'i Vice President incumbent Wetley Furtado defeated George Martin 6,581 to 3,131.

In the open race for International Secretary-Treasurer, Willie Adams, a longshoreman from Local 23, received 6,035 votes while Marina V. Secchitano, San Francisco Regional Director of the Inlandboatmen's Union of the Pacific (IBU) garnered 4,014.

Elected to the International Executive

The International Longshore and Board were: Peter Hendrickson (Alaska), Tom Dufresne (Canada), David Freiboth (IBU), Trinidad Esquivell III (Southern California Desert Area), Max Vekick, Jr. and Conrad Spell (Puget Sound Area), John Rapp and John Evans (Columbia River Area), Fred Pecker, Kevin Gibbon and Richard Cavalli (Northern California Area), John Tousseau, Mike Mitre and Larry Carleton (Southern California area) and Jerry Lagazo, Teddy Espeleta, and Richard Kaniho (Hawai'i Area).

> Of 41,551 members eligible to vote, 11.164 cast ballots. The ILWU secret. mail-ballot election was conducted by Sequoia Pacific Systems.

Francisco Business Agent

August 11, 2003

Visited and paid off the following ships:

Chief Gadao— Dean Smith, delegate: Island run; claims for wash will be paid.

Kauai - George Simpier, delegate: No disputes.

Manoa— Harry Naole, delegate: voyage pay off, no disputes.

Maui - Trev Motlow, delegate: Dispute on washdown, will clarify with Matson. Company agreed to pay claims.

Mokihana— Chris Bright, delegate: Voyage pay off; question of equalization of overtime.

President Grant— Joe Marusak, delegate: Voyage pay off; disputes squared away with Wilmington agent.

President Wilson— Dispute on wash down; squared away with Labor Rela-

APL China— Ray Ramirez, delegate: Voyage pay off; no disputes.

APL Korea— Gil Wilson, delegate: Voyage pay off; no disputes, clean ship. **APL Singapore**— Armando Martinez,

delegate: Voyage pay off; no disputes. APL Thailand— Melvin Mate, delegate, Mike McDevitt, bosun: Voyage

pay off; no disputes. ASM Steam Rack— When sailors are hired for steaming, they shall perform such work as up keep and maintenance of said steam rack.

Pilot Boats— Running smoothly at Pier 9; Steve Messenger, delegate.

Washington Vovager—Thor Eriksen, bosun: Runs a good ship.

Also worked in the front office during the month.

William Berger

Support the SUP Political Fund

Dispatcher's Report Headquarters—Jan. 2003

Deck
Bosun 8
Carpenter 0
MM 4
AB27
OS 1
Standby <u>37</u>
Total Deck Jobs Shipped $\overline{77}$
Total Deck B, C, D Shipped 16
Engine/Steward
QMED 0
Pumpman 0
Oiler 0
Wiper 0
Steward 0
Cook 0
Messman <u>0</u>
Total E&S Jobs Shipped $\overline{0}$
Total E&S B, C, D Shipped 0
Total Jobs Shipped - All Depts 77
Total B, C, D Shipped-All Depts 16
Total Registered "A"86
Total Registered "B"84
Total Registered "C"11
Total Registered "D"10