




West Coast Sailors

Official Organ of the Sailors' Union of the Pacific

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Friday, July 19, 2002

House panel holds hearing on Maritime Security Program reauthorization — focus is on operator citizenship requirements

The House Armed Services Committee's Special Oversight Panel on the Merchant Marine on July 16, held its first in a series of hearings aimed at reauthorizing the Maritime Security Program (MSP) prior to its expiration on September 30, 2005.

A broad spectrum of representatives from seagoing labor, ship-owners, and ship managers, urged the panel and Congress to enact a program that will enhance the nation's security by expanding the number of ships in the U.S. merchant marine engaged in international commerce.

Labor and industry leaders declared that the current MSP enacted in 1996 has been a success by providing vessels and mariners to meet both the commercial and national security interests of the United States.

In a joint statement the SIUNA, MM&P, MEBA and AMO said that "MSP has met all its expectations as a benefit to our nation, and then some."

The specifics of a reauthorized MSP are as follows:

- Lengthen the current program

from 10 to 20 years, running from October 1, 2005 through September 30, 2025;

- Expand the number of ships by 13 ships, from the current 47 vessel slots to 60 vessel slots to meet U.S. sealift requirements, and to correct the shortfall in seafarer manpower required to crew the Defense Department's rapid-reaction sealift vessels;
- Increase payments up to \$3.5 million for each vessel in the first year of the program; and
- Adjust vessel payments yearly by the increase of an acceptable price index beginning in Fiscal Year 2004.

However, one of the most contentious issues at the hearing was to allow so-called "documented citizens" to participate in a reauthorized MSP.

When MSP was enacted, only U.S. citizen operators as defined by the Shipping Act of 1916 could participate in the program and hold MSP operating agreements. For example, when American President Lines was bought by Singapore-based Neptune Orient Lines in 1997, it was precluded from being an MSP participant despite the fact that APL had previously committed to the program.

Hence, American Ship Management was formed by former APL employees as a completely independent U.S.-citizen entity to operate U.S.-flag vessels enrolled in MSP. ASM currently holds nine MSP operating agreement with the Maritime Administration and operates nine APL vessels through a bareboat charter agreement with Wilmington Trust Company, a U.S. citizen trust under the law.

If the citizenship requirements were changed "documented citizens," holding a Special Security Agreement (SSA) with the Defense Department would be allowed to participate in MSP. The only two companies with

SSA's are Maersk Line and American Automar, which is owned by NOL/APL.

Panel Chairman Duncan Hunter (R-CA) strongly questioned the need to change the MSP citizenship requirement as did fellow committee members Thomas Allen (D-ME) and Gene Taylor (D-MS). All the lawmakers agreed that the issue needs further study and scrutiny.

In spite of this potential stumbling block, Chairman Hunter and the other members of the panel were supportive of MSP.

"We no longer control the seas," Chairman Hunter said. "And we know the nation that controls the seas does much better than the nation that does not."

"Although we have some time before the current Maritime Security Program expires, the Panel wanted to get started now with the hope that we can get something enacted well before the current (MSP) expiration date in 2005," Chairman Hunter said.

He also warned that agreement among all of the affected parties will be difficult. Securing funds for the MSP payments to ship operators "will be equally challenging," the Panel chairman said.

"What I hope the Panel will do is work through each of the difficult issues with a goal of getting an agreement on a consensus package that we can all unite behind," Rep. Hunter said. "It is clear to me at this point that we will not be able to satisfy each and every desire."

The Panel's next hearing, scheduled for Tuesday, July 23, will be devoted to the needs of the U.S. shipbuilding industry. Bulk operators may also be invited to testify. After a hearing record is built, Bush Administration witnesses, including U.S. Maritime Administrator William G. Schubert, will be called to testify before the Panel, Hunter added. "I want to get the Ad-

ministration before this Panel, get their support and — most importantly — receive a commitment to include funding for a new program in their budget."

Before moving ahead with legislation, the Panel will also hear from government officials who set the requirements for commercial reserve sealift capabilities, Rep. Hunter said. To this end, General John W. Handy (USAF), who heads the U.S. Transportation Command, will be invited to testify, Chairman Hunter said. "We all know that if we do not get his support for the key elements that reauthorization of the MSP will be very difficult," Rep. Hunter added.

Labor witnesses supporting the newly-proposed program included: Ron Davis, President of the Marine Engineers' Beneficial Association; Michael Sacco, President of the Seafarers Inter-

national Union; Michael R. McKay, President of the American Maritime Officers; and, Michael Rodriguez, who appeared on behalf of Captain Timothy Brown, President of the International Organization of Masters, Mates & Pilots.

Industry witnesses appearing before the Panel included: John P. Clancey, Chairman of Maersk Line Limited; Eric F. Johnsen, President of International Shipholding Corporation; Joseph T. ("Jay") Keegan, President and Chief Executive Officer of U.S. Ship Management, Inc.; Jordan Truchan, Chairman and Chief Executive Officer of American Ship Management, Inc.; and, Roy G. Bowman, Vice President of Government Affairs of APL, Limited.

Editor's note: Parts of this article are courtesy of the American Maritime Congress' *Washington Letter*.

SUP ratifies new pact with Matson

The membership of the Sailors' Union of the Pacific at the July coastwise meetings ratified a new three year collective bargaining agreement with Matson Navigation Company.

Details of the new, improved concession-free agreement are covered in the President's Report on page 9.

ILWU and PMA continue to bargain

Negotiations between the International Longshore and Warehouse Union and the Pacific Maritime Association are continuing on a day-to-day basis as the *West Coast Sailors* goes to press. The contract between the Union and the employer association expired on July 1.

According to the ILWU's *The Dispatcher* bargaining is bogged down over issues of maintenance of health benefits, increasing pensions and making sure new technology is not used to outsource jobs. In an attempt to break the stalemate, the ILWU on July 17 proposed a sweeping change on technology issues.

The Union's proposal would allow information from outside computer systems to flow directly into terminal operating systems at West Coast ports without having to be "rekeyed" by ILWU clerks. In exchange the Union wants to perform all the jobs that remain.

ILWU President Jim Spinoso said, "The Union has stepped up and changed the jurisdiction section of our contract dramatically, now it's time for the PMA to meet us."

More information on the ILWU is on page 3.



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SUP Honor Roll

Voluntary contributions from the membership to the following funds:

Organization/General Fund

*In lieu of dues increase.

Gerald Allen 50.00	William McCoy 20.00
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James Bailey 20.00*	Fritz Minder 25.00
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West Coast Sailors

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Henry Johansen 100.00	Ray Simpson 20.00
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James Kolm 10.00	Paul Splain 50.00
Donald Kruse 10.00	Puti Sternbach 10.00
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Bob Bacon 50.00	Fritz Minder 25.00
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Christopher Bujnowski 100.00	Duane Nash 20.00
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Knud Jensen 20.00	
Paul Limback 30.00	
John Linderman 20.00	
Larry Loe 10.00	
Gunnar Lundeberg 30.00	

Wall of Honor

(San Pedro Merchant Marine Memorial)

Peter Benavidez 100.00	John Quagliano 20.00
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Final Departures

Francis McCormick, Book No. 6093. Born in Pennsylvania in 1926. Joined SUP in 1947. Died in Pennsylvania, June 9, 2002. (Pensioner)

James W. Gallaher, Book No. 2196. Born in Washington in 1921. Joined SUP in 1938. Died in Beaverton, Oregon, June 23, 2002. (Pensioner)

Richard T. Cummings, Book No. 4666. Born in Ohio in 1927. Joined SUP in 1951. Died in San Francisco, California, June 25, 2002. (Pensioner)

Panama implicated in terrorist shipments

An organized people smuggling operation may be using cargo vessels based in Panama or transiting the canal to embark stowaways in the United States.

The U.S.-based Maritime Security Council warned in May that Middle Eastern stowaways on cargo ships were disembarking either before vessels reached U.S. ports or once they arrived, dressed as stevedores.

As well as being infamous for drug smuggling and money laundering, Panama also boasts the world largest flag of convenience shipping register. It was involved in an international scandal and government inquiry two years ago for allowing people to buy seafarers documentation, without any qualifications.

Concerns that FOC shipping was playing a major role in the spread of international terrorism were reignited when a U.S. government security report leaked in May claimed that 25 Islamic extremists had entered the United States on containers from ships arriving at Los Angeles, Miami and Savannah.

The secret nature of flag-of-convenience shipping has attracted attention since the hunt began to uncover the business interests of Usama bin Laden and his al-Qaeda network. Specialist corporate investigators were hired to track down the estimated 80 front companies in 50 countries worldwide owned by al-Qaeda members.

Ostrom appointed MarAd Chief Counsel

Maritime Administrator William Schubert announced June 10, that Robert B. Ostrom will serve as Chief Counsel for the Maritime Administration. The five divisions of the chief counsel's office focus on general and international law, maritime assistance program, ship financing contracts, legislation and litigation. Ostrom, a Georgetown University Law School graduate, has more than 30 years of experience as an attorney, having served as a senior and managing partner in Maryland law firms as well as the county attorney for Prince George's County Maryland. Ostrom was a member of the Board of Directors of the Washington Metropolitan Area Transit Authority for several years.

SUP Meetings

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

	<i>Hdqs.</i>	<i>Branch</i>
August	12	19
September	9	16
October	15*	21
November	12*	18
December	9	16

*Tuesday

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Coastwise "Unity on the Waterfront" demonstrations support ILWU



Photo Robin Colonas.

Left: Included at the ILWU Unity Rally in Seattle are ILWU Paul Pemberton, SUP members Chuck Stabah, Cleo Reed, Dustin Grobschmidt, Mike Parenteau, Steve Foster, Greg Schauf, Bob Barow, Mike Lee, Robert Jones, Jim Savage, Knud Rasmussen, Vince O'Halloran, Norm Christianson, Bill Timmerman, Kevin Kuehl, Hans Jorgensen, Dennis Murphy, Bob Ferguson. Missing from photo are Erik Hands, Jim Larsen, Bob Ahmer and Robin Colonas.

Below: SUP President Gunnar Lundeberg speaks to the crowd of unionists at the Oakland Solidarity Day rally.

Trade unionists up and down the West Coast rallied in solidarity with the ILWU on June 27.

The SUP was front and center at demonstrations in Seattle, Oakland and Los Angeles.

Addressing the Oakland Solidarity Day Rally ILWU president Jim Spinosa said, "When we exercise our rights to collectively bargain new contracts with better wages and conditions, when we enforce those rights the only way we can by collectively withdrawing our labor in a strike, they claim we are unpatriotic," he said. "But these are our legal rights. There is nothing unpatriotic about American workers insisting on their rights under American law."

Throughout bargaining between the ILWU and PMA, the federal government, at the highest levels, has attempted to intervene in bargaining, warning that a strike, lockout or slowdown would jeopardize national security. Senators Ted Kennedy (D-MA), Barbara Boxer (D-CA), Dianne Feinstein (D-CA), Ron Wyden (D-OR), Patty Murray (D-WA), Maria Cantwell (D-WA), Daniel Inouye (D-HI) and Daniel Akaka (D-HI) sent a letter to President Bush on July 28, tell-

ing him they believe his administration should stay out of the contract talks. Another group of 45 democratic congressional representatives, led by California's George Miller sent a letter to both PMA CEO Joseph Miniace and ILWU president James Spinosa urging them to bargain in good faith "without using bargaining strategies that may take advantage of current national security concerns or that rely on hoped-for government intervention."

The letter goes on to say: "We are disturbed by reports that the PMA...is manufacturing a 'labor crisis' and undermining prospects for a contract settlement. This apparently is being done to secure the U.S. government intervention to, in turn, leverage economic gains the PMA may not be able to achieve in contract negotiations with the ILWU."

At the Oakland rally, speakers included Teamsters' general president James Hoffa, SUP president Gunnar Lundeberg, and representatives of the MFOU, MM&P, SIU-A&G, ILA, California Labor Federation and the ITF. In Los Angeles, nearly 4,000 workers rallied at the Local 13 dispatch hall in Wilmington, while over 1,000 demonstrated at Seattle Pier 25.



Photo: Dave Connolly

Matson's profits fall

Matson Navigation Company had second quarter earnings of \$14.8 million, off 21 percent, on revenues of \$223.1 million, compared to net of \$18.7 million on revenues of \$203.2 million for the same period in 2001.

The U.S. mainland-Hawaii carrier said the drop "resulted primarily from continuing unfavorable year-to-year comparisons in stevedoring performance at the Sand Island terminal in Honolulu, offset to some extent by lower expenses from operating seven ships in the Hawaii trade, versus eight a year ago.

"The quarter's results, however, were substantially better than [the] operating profit in the first quarter of this year, which was just \$2.5 million."

Matson in 2001 spent \$23 million to modernize Sand Island and improve cargo handling, but the change has taken longer and cost more than was expected.

Results also suffered despite second-quarter Hawaii service container volume that was seven percent higher than in the year-ago period. Auto volume was eight-percent lower.

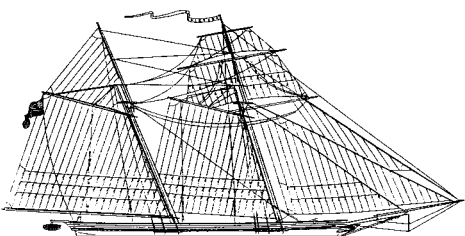
The company attributed the higher box traffic to "a combination of contract-car-

riage volume and apparent strengthening in some segments of Hawaii's economy.

It also noted a portion of increase was due to shipments in advance of the expiration of the West Coast longshore contract on June 30.

For the first six months of 2002, ocean transportation operating profit totaled \$17.3 million, of 52 percent, or \$18.9 million, from a profit of \$36.2 million in the first half of 2001. The carrier blamed the decline on post-9/11 economic effects and lower productivity at Sand Island.

Alexander & Baldwin, Inc., the parent of Matson, said its second-quarter net income was \$13.2 million on revenue of \$279.2 million compared to net income in the same period of 2001 of \$24.5 million on revenues of \$293 million. The latter included a one-time gain from the sale of marketable bank securities.



Maritime labor supports transportation technology bill

The SUP, MFOU, MM&P, MEBA and SIU-AGLIWD/NMU are in support of a bill introduced in the House of Representatives by Representative Steve Horn (R-CA) entitled "The Center for Commercial Deployment of Transportation Technology Development (CCDoTT) Authorization Act of 2002. H.R. 4914 would amend Section 8 of the Merchant Marine Act of 1920."

In a letter to Congressman Horn, the Unions stated:

"As you may be aware, our organizations have been working with Voyager Holdings, a U.S.-owned venture that has contracted to build two very high-speed trimaran passenger vessels at Baltimore Marine Industries. These vessels will incorporate a new, highly stable hull design developed by Kvaerner Masa Marine, with technology support from Science Applications International Corporation (SAIC), David Taylor Research Center, and Bank Lavis & Associates. In addition, these vessels will be capable of

conversion for national emergency support due to their innovative militarily useful features designs. Significantly, these design enhancements are based on the cooperative development between the California State University at Long Beach and the CCDoTT.

"The CCDoTT program enables the Department of Defense, through the United States Transportation Command, and the Department of Transportation, through the Maritime Administration, to leverage advanced transportation technologies to address defense and commercial transportation requirements. Voyager's proposed trimaran high speed, cruise vessels, in addition to representing the next step in the evolution of cruise vessel design, offer distinct advantages for both commercial and defense sealift missions. In fact, a representative of the Department of the Navy has told Voyager Holdings that they are 'particularly pleased that [this] design includes a number of features that will greatly enhance the defense related value of your vessels... These high speed long range vessels... will significantly enhance our nation's United States-flag commercial sealift capability.'

"We believe CCDoTT's mission to pursue dual use defense and commercial technologies will, as in the case of the high-speed trimaran cruise vessels, help the United States gain worldwide leadership in the advanced high-speed ocean transportation market. Your legislation, by providing CCDoTT to continue to pursue its mandates over the long term with the knowledge that its work can proceed in an uninterrupted fashion.

"We again express our support for your legislation and look forward to working with you and your colleagues for its enactment this year."

P&O Nedlloyd replaces New Zealand seafarers

Sixty New Zealand seafarers will lose their jobs when Anglo-Dutch liner operator P&O Nedlloyd places a Filipino crew on a new ship that will replace two vessels operating the trans-Tasman trade.

The two ships, *Wellington Express* and *Sydney Express*, are being replaced by the *P&O Nedlloyd Nelson*, whose Philippine crew will be paid about a quarter of the wages earned by the New Zealanders. Seafarers Union secretary Mike Williams said he still hoped P&O Nedlloyd would change its mind about the redundancies, adding that he was disappointed the government had done nothing with a shipping review that he had hoped would protect the jobs of New Zealand seafarers.

Koreans no longer going to sea

The number of Korean seafarers serving on national flagships has dwindled sharply over the last ten years, according to data compiled by the Korea Maritime Institute. The number has fallen by as much as 70 percent with only 49,000 Koreans working on domestic carriers by the end of 2001 compared to almost 106,000 in 1990. At the same time the number of foreign crew employed on Korean vessels shot up to 7,000 at the end of 2001 from just 58 in 1991. Fewer Koreans (5,700) are now manning foreign ships compared with 36,400 in 1990, the data, compiled under the auspices of Korea's Ministry of Maritime Affairs and Fisheries, revealed.

Mysterious FOC vessel captured off India

Two AK 47 rifles, one named Yusuf the other Allah, are all that was left on the São Tomé & Príncipe-flagged ship abandoned off the coast of Maharashtra last month, *Lloyds List* reports. No documents that would reveal the FOC ship's final mission were left behind.

Al-Qaeda terrorists? That's what Indian authorities suspect it was all about. But it could also have been used by drug traffickers or arms smugglers.

"In a world where maritime security has been elevated to center stage at high-profile events such as last month's G8 summit in Canada, this new breed of flags of convenience has suddenly been caught in the crossfire," reports *Lloyds List*. "Now it is the small island nation of São Tomé turn to feel the flak. The São Tomé government knew very little by the promise of millions of dollars received from shipping companies looking for a flag which asks as few questions as possible."

The two men who set up the flag are Hilmi Nader, a ship surveyor based in

the Lebanon, and Eddy Hamaoui, a French citizen with links to the small island state, living in Switzerland. Both have been embroiled in allegations that they had pocketed money after issuing illegal certificates for hundreds of ships.

The announcement followed a wave of arrests at Greek ports of São Tomé-flagged vessels last year due to their "appalling" detention record. The São Tomé flag is third on the organization's black list behind Bolivia and Albania.

Lloyd's Register records indicate that last year the fleet consisted of 64 ships totalling 235,062 gross tons with an average age of 31 years.

Of this fleet, Paris MoU records show that between 1999 and 2001, of 98 São Tomé-flagged ship inspections, 46 resulted in detentions.

The flag has also been embroiled in allegations of piracy with another São Tomé-flagged ship, the *Ayham B*, which was arrested in Turkey after a dispute over ownership.

Stowaways arrested in Caribbean

In June U.S. Immigration officials deported 19 people following two separate incidents at sea in the Caribbean that left 35 dead. Seventeen of the detainees were stowaways aboard the Isle of Man-flagged ro-ro ship *Scan Germania*, said by the U.S. Coast Guard (USCG) to have threatened the crew when discovered after the ship left the Dominican Republic. The USCG boarded the 8,831-GT vessel at the master's request and arrested the stowaways, now in custody in Alabama. The Immigration and Naturalization Service says the ship's German operator, Scanscot Shipping Services, will be required to make restitution for the deportation costs if it wants to continue operating in U.S. waters. Two Haitians are to be deported from the Netherlands Antilles island of St. Maarten after their overcrowded boat exploded and sank, killing 35 others. Police say "migrant smugglers", who overloaded the wooden craft after charging \$800 each to ship them to the U.S. Virgin Islands, will face manslaughter charges if arrested.

Singapore and France join U.S. security initiative

Singapore and U.S. Customs have signed an agreement in June under the Container Security Initiative (CSI), which aims at strengthening and developing operational cooperation in the control of cargoes between Singapore and the United States.

"This important first agreement in Asia will provide a significant measure of security for Singapore and the U.S.," U.S. Customs commissioner Robert Bonner said.

In a similar agreement also signed in June, by the French and U.S. Customs, would allow U.S. Customs officers to track potentially risky cargoes bound for the United States from the port of Le Havre while France will send some officers to New York to similarly assist American customs officers.

The agreement confers on Le Havre the status of a "safe port" under new U.S. safety standards being implemented after the September 11 terrorist attacks. About 160,000 containers are bound for the United States annually from Le Havre.

U.S. customs already has officers in the Canadian ports of Halifax, Montreal and Vancouver. Mr. Bonner said the department hoped to conclude similar agreement with other countries including Japan, Germany and the Netherlands in the coming months.

Port state control organizations stand firm on STCW implementation deadline

The Paris and Tokyo MOU Committees have on July 8, confirmed that all ships will be expected to comply with the provisions of STCW 95 after August 1, or face possible detention. The announcement appears to ignore a request made by the International Shipping Federation (ISF) to have "continuing flexibility and pragmatism on the part of port state control officers after July 31."

Following a discussion between the members of the ISF at its annual general meeting on June 12-14, a letter was distributed to all regional Port State Control (PSC) authorities requesting that

ships should not automatically be detained for STCW 95 certification deficiencies. The announcement from the two PSC committees confirms that all ships issued with letters of warning since the convention came into force in February 2002 will be given priority for inspection. "It is now time for everyone to comply," explained Richard Schiferli, general secretary of the Paris MOU. "Ships with seafarers on board without the correct certification will face detention if the deficiencies represent an unreasonable danger to persons, property or the environment," he continued.

SUP 401(k) Plan Adds new funds, Branch seminars

The Trustees of the SUP 401(k) Plan approved the addition of two new funds to the available choices for 401(k) participants.

Columbia Strategic Value Fund (CSVFX) makes investments in companies that Columbia believes are undervalued relative to their intrinsic worth. Typically, the Fund seeks companies that are demonstrating or have the potential to demonstrate improving cash flow and return on invested capital. While the Fund may invest in companies of any size, a significant portion of assets are expected to be invested in small- and mid-cap companies. It is listed as moderate to aggressive in terms of risk and is suggested for investors with a time horizon of five years. Expenses are 1.12% vs. peer group average of 1.42%. The 2001 return was 29.76%.

The second fund is the Galaxy Large Company Index Fund. This fund is designed to track the S&P 500 index and invests in large, established companies. In 2001 the Fund returned 12.2% with an expense ratio of .47%.

At SUP Headquarters on August 12, Ms. Joan Steel from Columbia Funds, will provide individualized instruction on 401(k) investing. The same service will be provided in the Branches beginning in Seattle on August 19, Wilmington September 16, and Honolulu on October 21. Rich Reed, SUP Welfare Representative, will also be in attendance on those dates to answer questions on the benefits of the SUP Welfare Plan.

Pilots fire at intruders

Armed government pilots at Georgetown, Guyana, fired warning shots at two intruders onboard the Lauritzen Cool-owned reefer cargo vessel *Amer Annapurna*, in the latest piracy attack on ships docked at the South American port. The U.S. office of naval intelligence says it cannot recall any other recent incident when an armed pilot used his weapon in response to a criminal attack.

The June 27 piracy attack was the fourth reported at Georgetown's docks in less than two months, and has prompted warnings from the local harbor master that ship-owners visiting the region should be extra careful.

Guyana's coast guard patrols did not operate 24 hours a day and agents were employing smaller security vessels to guard ships, said harbor master Taig Kalicharran. The pirates jumped overboard when two warning shots were fired, but in previous incidents ships' stores were stolen. Kalicharran said "just a few" pilots were armed.

Mineta awards port security grants

U.S. Transportation Secretary Norman Mineta, June 17, awarded 51 ports a total of \$92.3M in federal port security grants. The largest slice of the total, \$78M, will be targeted at enhancing facility and operational security, while \$5M will fund security assessment projects and \$9.3M will fund projects exploring the use of new technologies such as electronic seals. New York received the largest portion, with \$4M going to the Port Authority of New York

and New Jersey, \$27M to the New York Department of Transportation and \$2.5M to the New York City Economic Development Corp. Other major grants went to Fort Lauderdale (\$6.8M), Miami (\$6.3M), Norfolk (\$5.2M), Oakland (\$4.8M), Long Beach (\$4.3M), Seattle/Tacoma (\$4.7M), New Orleans (\$3.6M), Tampa (\$3.5M) and Baltimore (\$3.2M). Several private-sector shipping companies also won grants, including Crowley Liner Services and APL.

Five jailed for *Snam Portovenere* deaths

In June a Genoa court sentenced five men to up to 26 months' imprisonment for the manslaughter of six technicians during sea trials on the LNG vessel *Snam Portovenere* on October 2, 1996. The court ruled that the five—the ship's Master and chief officer, the director of Fincantieri's Sestri shipyard and two other Fincantieri employees—were guilty of negligence in the tragic incident.

Five Fincantieri technicians and an ABS surveyor suffocated when the master of the *Snam Portovenere* activated the CO2 fire-extinguishing system without taking into account the presence of people in the vessel's engine room.

Marlinspike classes continue in *Lane Victory*



Marlinspike class aboard the s/s Lane Victory on June 12. From left Jorge Sosa, Duane Nash, Grant (Eli) Wegger, George Jackson and Matthew Montalobo. Photo Mark Hurley

Matson Navigation Company Wage Rates

effective July 1, 2002

ITB Moku Pahu

RATING	Money Purchase Pension Plan Daily
Bosun	
Monthly Base Wage	\$3,433.51
Daily Base Wage	114.45
Daily Supplemental Wage	42.21 \$19.93
A.B.	
Monthly Base Wage	\$2,321.05
Daily Base Wage	77.37
Daily Supplemental Wage	33.16 \$15.28
Overtime	\$21.76
CARGO RATES	
Straight Time Hours:	\$16.33
Overtime Hours:	26.90
FUEL OIL SPILL CLEANUPS	
All Ratings: Straight Time	\$12.70

071, Roll-On/Roll-Off, C-8 and C-9 class vessels

Rating	Wages		Supp.	Supp. Benefit		Money
	Monthly	Daily	Benefit Base Monthly	Daily	Monthly	Purchase Pension Plan Daily
Bosun	\$4,247.33	\$141.57	\$4,377.26	\$68.08	\$2,042.71	\$25.00
A.B. Maint.	\$2,884.52	\$96.15	\$3,161.61	\$49.18	\$1,475.42	\$25.00
A.B.	\$3,021.77	\$100.72	\$3,300.23	\$51.34	\$1,540.18	\$25.00
O.S.	\$2,340.81	\$78.02	\$2,616.13	\$40.69	\$1,220.70	\$18.51

OVERTIME AND OTHER RATES

The hourly overly overtime rate for all ratings
except the Ordinary Seaman shall be \$23.83
Ordinary Seamen (overtime rate) \$17.87

CARGO RATES

The hourly cargo rate for all ratings shall be:
Straight Time Hours \$17.87
Overtime Hours \$29.45

SHORTHANDLED (SECTION 7. SUP Work Rules)

Bosun \$40.69
A.B. \$30.65

STANDBY RATES (Section 43 SUP Work Rules)

Bosun
Straight Time Hours \$22.72 \$25.00
Overtime Hours \$37.42

A.B.
Straight Time Hours \$21.79 \$25.00
Overtime Hours \$35.93

SHIFT SHIP GANGS (Section 44 SUP Work Rules)

Bosun
Straight Time Hours \$20.17 \$25.00
Overtime Hours \$33.55

A.B.
Straight Time Hours \$18.99 \$25.00
Overtime Hours \$32.04

DECK PORT WATCHES (SECTION 55. SUP Work Rules)

Bosun
Straight Time Hours \$27.13
Overtime Hours \$40.69

A.B.
Straight Time Hours \$20.44
Overtime Hours \$30.65

FUEL OIL SPILL CLEANUPS

All Ratings: Straight Time \$13.88

SUP SHOREGANG: MAINTENANCE AGREEMENTS WAGE RATES

Working Bosun
Straight Time \$28.07 \$25.00
Overtime \$45.03

General Maintenance
Straight Time \$23.19 \$25.00
Overtime \$37.92

Spraying, Sandblasting enclosed spaces: additional per hour \$1.65

SUP officers' wages

In accordance with Article XV, Section 3, of the SUP Constitution: "Every time the new wage scale is printed in the *West Coast Sailors* showing the seagoing [dry cargo-offshore] members and standby gang wage scale, the benefits and wage scale of the Union officials shall be printed right along with, and in the same issue, of the *West Coast Sailors*."

Weekly Wages for SUP officers effective July 1, 2002:*

President/Secretary-Treasurer	\$1,447.29
Vice President/Assistant Secretary-Treasurer	\$1,147.11
Branch Agent	\$1,147.11
Business Agent	\$1,126.81

*These wages reflect the \$1.00 per-man, per-day allocation authorized by the membership from the July 2001 wage increase to support the hiring hall.

Benefits: Medical and dental coverage; four weeks vacation per year, and participation in the SIU-Pacific District Pension Plan. SUP officials are not participants in the SUP Money Purchase Pension Plan.

Patriot Contract Services

LMSR wage and benefit rates

Bob Hope class
effective July 23, 2002

	Monthly Wage	Daily Wage	Supplemental Benefits	Money Purchase Plan	Premium Rate	Overtime Rate
Full Operating Status (FOS)						
Bosun/AB	\$3,866.41	\$128.88	\$42.92	\$17.51	\$23.01	\$18.24
AB	2,749.38	91.65	30.52	17.51	17.72	12.59
OS	2,108.10	70.27	23.40	14.42	14.07	11.83
Reduced Operating Status (ROS)						
Bosun/AB	\$3,981.98	\$132.73	\$22.13	\$17.51	\$23.46	\$18.59
AB	2,819.42	93.98	15.67	17.51	18.07	12.83
OS	2,157.54	71.92	11.99	14.42	14.35	12.06

ESU Office Assignments

For the month of August, Thomas Thompson will be in the Baytown office and Jerry Patterson will be in the Benicia office.

ESU NEWS

JULY 2002

Official Publication of the Exxon Seamen's Union

An open letter to the membership

Executive Board and Union Members:

Thanks for the certificate of appreciation that I received from you. However, I am the one that should be sending my appreciation. For twenty-four and a half years I have reaped the benefits of the Unions' work and dedication. Even in retirement I will continue to do so. I know how hard the Union has fought for everything we have and I'm grateful. Thanks to them I am financially prepared for retirement.

As Ships' Rep. on the *S/R Long Beach* I tried to uphold the ideals and objectives of the Union, and also make sure the members had as good a tour as possible. That wasn't usually too difficult because the people I represented were professional, hard working and fun to be with. I will miss all the members and a lot of the officers I had the pleasure of working with.

The only people I will not miss are the non-members. Hopefully, they will one day realize that no matter what their excuses or reasons are, they are just parasites on the backs of dues paying members.

Thanks again for a wonderful career and smooth sailing for the rest of yours
Jack Patterson Ships' Rep., *S/R Long Beach*-ret.

Maintenance seamen preference

The Union is aware that there has been some confusion as to preference for departmental assignments in situations where two or more Maintenance Seamen desire assignment to the same department. It is the Union's position that such preference will be determined only by the individuals' MS bargaining unit seniority.

Contractual language found in Article IX, Section 1 and paragraph F states in part; "Where qualifications between two (or more) MS on the MS Seniority List are relatively equal, MS department preference will be based on MS bargaining unit seniority..." It is the Union's opinion that regardless of any other endorsements either MS may hold, the position being filled will be that of a Maintenance Seamen and that all Maintenance Seamen are relatively equal in their abilities to perform Maintenance Seamen duties.

Ship reports

S/R American Progress

Aaron Rathbun filling in as Temporary Ship Representative. Aaron has done a good job of addressing the member's questions and concerns via cell phone with the ESU office.

S/R Baytown

Vessel visited by Board officer on July 15, at the Shore Terminal in Martinez, CA. Regular Ship Representative Mark Myser on board. Everything going well here.

S/R Bristol Bay

Vessel continues to trade between Anacortes and Valdez. Jeff Harris filling in as Temporary Ship Representative. No problems reported.

S/R Charleston

Visited by Board officer in Baytown, TX on July 8, 2002. Ship Representative Bob Knight on board. Running smooth. The ship is going back to its regular run due to the *Wilmington* coming out of the shipyard. The crew is doing a great job, some questions about Tosco; Bayway not allowing the crew to go ashore due to security reasons. The board is investigating.

S/R Galena Bay

Vessel visited by Board Officer on June 17, 2002 at Chevron, Richmond Long Wharf. Levy Ponce has relieved Winston Howerton as Temporary Ship Representative.

S/R Hinchinbrook

Vessel continues to trade between Valdez and Hawaii. Tim Williams filling in as Temporary Ship Representative. No problems reported to the ESU office.

S/R Long Beach

Union visited July 14, at the Valero dock in Benicia, CA. Jeremiah Morrison filling in as Temporary Ship Representative. No problems.

S/R Mediterranean

The *Mediterranean* is currently on its way to Singapore, questions about the shipyard period. Should know something soon. David Reinking filling in as Temporary Representative keeping in touch via E-mail.

S/R Puget Sound

Vessel visited on July 3, at the Valero dock in Benicia. Regular Ship Representative Michael Harrison on board. Issue over reimbursement from the Company for medical expenses incurred while in the service of the vessel. Being worked by the Union. Appears there have been several lengthy delays in receiving reimbursement from SeaRiver Medical. This is not acceptable.

S/R Wilmington

Ship is in Halifax, anticipating leaving the yard around July 20. Ship Rep. John Navarro on board keeping in touch via phone. No problems, running smoothly. The crew doing a good job during a very busy shipyard period.

2002 ESU officers election

Once again, the Union will be conducting an election for the Executive Board and Ship Representatives, as outlined under the ESU Constitution and By-Laws. The nomination period begins in July and will conclude on October 1, 2002. Following the nomination period, the election will begin on October 14 and end on December 12, 2002 at 5:00 P.M.. The election results will be tabulated on the 13th with fleet notification to follow. Candidates elected to an office will assume their positions on January 1, 2003. Everyone is encouraged to participate in the election process. The various positions up for election this year are as follows:

- President
- Recording Secretary
- Engine Trustee
- Ship Representative *S/R Baytown*
- Ship Representative *S/R Galena Bay*
- Ship Representative *S/R Mediterranean*
- Ship Representative *S/R Wilmington*

Engine Trustee, Chester Bell has decided to retire before the end of the year, so the Engine Trustee position will be included in this election. Several Ships Representatives positions are up for election due to the expiration of the position's term. According to the Constitution and By-Laws under Article V the requirements for nominations are as follows:

Nominations

- Nominations for candidate for President, Vice President, Secretary-Treasurer, Recording Secretary and Ship Representative can be from any department. One trustee is to be elected from each department (deck, engine and steward's).
- Nominations for candidates for the Union Officers must be received in the Union office by October 1st of the year preceding January 1st beginning term of office.

- A nomination form must designate which one Union officer position the candidate is seeking and denote which department the candidate is in.
- Signatures of twenty-five (25) members in good standing are needed for a nomination to any position on the Executive Board. Fifteen (15) signatures of members in good standing are required for a nomination to Ship Representative.
- The nomination form should be mailed by certified mail to the primary Union office (Baytown) if there could be any question concerning the timely receipt of the nomination. * To be eligible for nomination a member must have is dues paid through the month in which the nomination is made.
- To be eligible for election to the Executive Board, nominee must be a qualified driver possessing a current, valid auto driver's license.
- Each member in good standing in the fleet who has at least two (2) years of continuous service in the Company, and who has been a member of the Union for at least one (1) year may stand for nomination to the Executive Board.
- Each bona fide candidate for office is requested to provide a campaign statement that will be presented to the membership in a mail out from the Union office. The statement must be in a finished state, ready for copying and no longer than two legal size pages. No slanderous accusations of other members will be accepted and any such questions that arise will be decided by rule of the Executive Board.

All members are encouraged to participate and vote in the election process. A Union's strength is measured by the grass roots willingness of it's members to participate.

Maintenance seamen should ensure STCW is updated before September 1, 2002

Should the membership ratify the MOU on August 13, 2002, Maintenance Seamen with STCW Certification (rating forming part of a navigation watch) will receive a lump sum payment of \$500 no later than September 15. If you are on the MS Seniority list and you have the proper STCW certification, you need to ensure that the company has a copy of your STCW so you will receive payment. If you obtain the STCW after September 1, 2002 and submit your document to the Company you will not receive payment until September 1, 2003.

If you have completed SeaRiver's Navigation, Watchstanding, Assessment, and Proficiency Checklist (NWAP) you should have received a letter from the Company that allows you to acquire an STCW that states, rating forming part of a navigation watch from any Coast Guard regional exam center. There are no fees associated with issuance of the STCW document, however, you will need to have a color passport photo. Remember it must state on the STCW, "rating forming part of a naviga-

tion watch" for you to be eligible for the \$500. If you are a Maintenance Seamen that has an Able Seamen's endorsement you should already have the necessary STCW to qualify for the \$500 payment.

If you are not sure if the company has a copy of your STCW on file, the best way to confirm this is by contacting the training department at 877-290-1422 ext. #8.

Condolences

The Union was saddened to learn of the passing of Johnny Navarro's grandson on June 2, 2002, after a long illness. Johnny is the ESU Ship Representative on the *S/R Wilmington*. Our condolences go out to the Navarro family.

The ESU was also saddened to hear that annuitant Pedro Graca passed away May 3, 2002 at 69 years of age. Pedro started his career with Esso Shipping in 1950 aboard the *SS Esso Nashville* and retired off his last vessel, the *SS Esso Scranton* in 1973 as a Fireman/Oiler. Mr. Graca was a relative of Able Seamen Joe Graca, a long time ESU Ship Representative.

ESU News



What a ride!

During the vessel's first shipyard with SeaRiver, the crew of the *S/R Bristol Bay* (vessel stern does not reflect new name) launched the ship's lifeboat for a test ride in Portland, Oregon.

The sequence of pictures illustrates the exhilaration when exiting the vessel in a hurry. In the unlikely event of abandoning the vessel all crewmembers would enter the lifeboat seated with their backs facing the lifeboat's bow. Once everyone is seated and strapped in, the releasing mechanism is pulled and gravity does the rest. The *S/R Bristol Bay* is the only vessel in the fleet that releases the lifeboat by free fall means. The distance from the deck to the water was approximately 60 feet due to the vessel's light draft while in the shipyard.

ESU members that took the plunge were as follows, Ed Benjamin, John Detwiler, Pat Campbell, Rajko Puric, Chuck Carroll, Jason Jacobson, Roger Vreeland and Humberto Rodriques. It is the Union's understanding that the crew liked the demonstration so much that they did it twice!

Photos: Mark O'Donnell and Chuck Mitchell



SeaRiver receives top USCG award

The United States Coast Guard announced on May 7, 2002 that SeaRiver Maritime, Inc. had won the prestigious gold William M. Benkert Award. In making the announcement from the U.S. Coast Guard Headquarters in Washington D.C. the Coast Guard described the prestigious award as the premier national award that recognizes marine environmental excellence.

U.S. Coast Guard Assistant Commandant for Marine Safety, Security and Environmental Protection, Rear Admiral Paul J. Pluta noted that SeaRiver Maritime of Houston, Texas was the only recipient of the highest level of award for outstanding environmental performance. Companies were evaluated on their environmental objectives and policies, environmental outreach efforts, participation in partnerships with environmental organizations and government agencies, and performance measures and results. SeaRiver is the first and only company to earn the gold level of recognition. The awards recognized levels of excellence and there could be more than one winner in each category. Winners in each of the three medal categories are:

Gold: SeaRiver Maritime, Inc.

Silver: Marathon Ashland Petroleum LLC.

Bronze: Totem Ocean Trailer Express, Maritrans Operating Company LP, Canal Barge Company, Celebrity Cruises, Inc.

Commenting on the award in an ExxonMobil press release, Paul Revere, President of SeaRiver, is quoted as saying; "This achievement reflects our strong commitment to work cooperatively with regulatory officials, industry partners and the communities in which we operate. However, it would not have been possible without the daily contributions of our employees and their commitment to safe transportation for our customers, the public and the environment. Their persistent efforts and commitment to safety and environmental excellence are truly deserving of this prestigious award."

The award is named in honor of Rear Admiral William M. Benkert (1923-1989), a distinguished Coast Guard officer widely known for his leadership and vision in marine environmental excellence. Awards were presented on Monday, June 24, 2002 during the API Tanker Conference.

Other awards for exceptional environmental performances by the employees of SeaRiver Maritime have been presented to SeaRiver in the recent past. Among such awards was the Washington State Department of Ecology, Exceptional Compliance Award that was announced in April of 2001. This award was presented in recognition of SeaRiver and its employee's high standard of operation. The company was presented with the same award in 1999 and to date is the only shipping company to have received this award.

On June 17, 2002, SeaRiver was notified that it was one of five recipients of the Pacific States/British Columbia Oil Spill Task Force's 2002 Legacy Award. The award will be presented at the 2002 Annual Meeting of the Pacific States/British Columbia Oil Spill Task Force, which will be held in Tacoma, Washington on July 23, 2002. This award recognizes efforts that go beyond regulatory requirements to prevent, prepare for or respond to oil spills.

ESU members should take pride in the contributions that they have made in enabling SeaRiver to attain recognition by these governmental agencies. Acknowledgment of outstanding performances by these agencies could not take place without each and every member performing their duties at an exceptionally high level of professionalism.

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

2002 contract vote update

On July 15, 2002 the Baytown office spoke with the American Arbitration Association by phone concerning the number of ballots received. So far 104 ballots have been mailed to the AAA. This is out of a total of 277 eligible voters. There is still plenty of time to cast your ballot but please do not delay! Everyone should have received his or her ballot by now. If you have not received a ballot, please give either Union office a call for another ballot. On July 2, 2002 extra ballots were mailed to all Ship Representatives. If you need an extra ballot, see the Ship Representative.

Satellite television coming soon!

In recognition of the outstanding safe operations performance by the Ocean Fleet throughout 2002 and to the present, the company has announced plans to install satellite television on all of its vessels trading domestically.

Installation will begin shortly and will be ongoing for the next several months. The company is in the process of obtaining the necessary hardware and it is expected that some of the installation will be accomplished with the use of the ships crews. The satellite systems will include hardware for use with two televisions, one for both the Officers and Crew Lounges. There will be no provision for the Smoking Lounges.

In making this announcement, SeaRiver also indicated that they would be revamping the current employee recognition program and canceling the "Safety Lottery". Management, in discussions with the ESU stated that they are at present considering other types of performance recognitions

above and beyond the installation of the satellite televisions.

The Union has not been informed as to the specifics of the entertainment package that the company will be using, but the company describes it as providing "a good mix of entertainment, news and information". The Union endorses the Company's decision to provide this entertainment package and believes it will enhance the crewmembers quality of life while aboard ship, away from family and loved ones.

Satellite radio test case

Recently Satellite FM radio was installed on the *S/R Puget Sound* and the feedback the ESU received while the ship was in Valero was very positive. Reception is very clear, even at sea with a variety of news, sports and entertainment channels. Hopefully this will be expanded to other vessels in the near future.

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 Chester Bell

Steward Trustee Gerard Nelson

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

Schedule of Course Offerings for 2002

STCW 95 Basic Safety Training

• Basic Fire Fighting	• Basic First Aid		
• Personal Survival	• Personal Safety and Social Responsibility		
Jul 15-19	Aug 26-30	Oct 21-25	Dec 2-6
Jul 29-Aug 2	Sep 16-20	Nov 4-8	Dec 9-13
Aug 12-16	Sep 30-Oct 4	Nov 25-29	

Small Arms Training (MSC approved)

Jul 22-24	Sep 30-Oct 2	Dec 9-11
Aug 26-28	Nov 4-6	

LMSR Vessel Training (MSC approved)

Jul 9-19	Sep 17-27	Nov 26-Dec 6
Aug 13-23	Oct 22-Nov 1	

Survival Craft (Lifeboatman)

Jul 8-11	Sep 23-26	Dec 9-12
Aug 12-15	Oct 28-31	

Training Information and Enrollment

Contacts

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	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
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Welfare Notes

July 2002

On August 1, 2002, the SUP Welfare Plan will be converting to a new claim and payment system. This new payment plan will be very beneficial for members and retirees who are seeking reimbursement on medical and dental claims.

Under this new system your claims will be processed and entered into the computer at the SUP Welfare Office. The computer information then will be transmitted to Zenith Administrators office and the reimbursement checks will be issued and mailed directly from Zenith. The reimbursement checks and explanations will look a little bit different, but there will be no change in your benefits or annual allowances.

The new look of the checks may take a little getting used to, but you will find the payment explanations to more detailed and easier to understand. When this new system is up and running on schedule, the checks will be cut the next day after they are received at Zenith Administrators.

There will be no change with this new system in the way you submit your claims. You will continue to submit your claims to the SUP Welfare Plan, 450 Harrison St. San Francisco, CA 94105. The only change with this new system will be quick turnaround in the time you receive your reimbursement checks and the detailed explanations included with your payments.

The Welfare Plan is forced to make one change in the payments to those requesting reimbursement for claims. We ask that you submit your claims on a weekly, monthly or quarterly basis. PLEASE DO NOT SUBMIT CLAIMS ON A YEARLY BASIS.

BRANCH MEMBERSHIP MEETINGS

SUP Welfare Representative Rich Reed will be attending the Branch membership meetings in the upcoming months. This is a good time for active members and retirees to address any questions they have for the Welfare Office. If you have questions on medical and dental benefits, Money Purchase Retirement Plan, the 401(k) plan, or questions on STCW and various schools we suggest you attend these meetings. The schedule is as follows: Seattle—August 19; Wilmington—September 16; Honolulu—October 21.

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

NOTICE TO INTERESTED PARTIES

SUP Money Purchase Pension Plan

- Notice To:** All employees who are covered by collective bargaining agreements or other written agreements which require pension contributions on their behalf to the SUP Money Purchase Pension Plan.

An application is to be made to the Internal Revenue Service (IRS) for an advance determination on the qualification of the following collectively bargained plan:

- Plan Name:** SUP Money Purchase Pension Plan
- Plan Number:** 001
- Name and Address of Applicant:** Trustees of the SUP Qualified Plans Master Trust, 450 Harrison Street, San Francisco, CA 94105
- Applicant's E.I.N.:** 94-3134523
- Name and Address of Plan Administrator:** Trustees of the SUP Qualified Plans Master Trust, 450 Harrison Street, San Francisco, CA 94105
- The application will be filed on July 31, 2002, for an advance determination as to whether the Plan meets the qualification requirements of section 401 of the Internal Revenue Code of 1986, with respect to the continuing qualification of the Plan.
- The application will be filed with: EP Determinations, Internal Revenue Service, Attn: Extracting Stop 312, 201 West Rivercenter Blvd., Covington, KY 41011-1454
- All employees who are covered by collective bargaining agreements (or other written agreements accepted by the Trustees) that require contributions on their behalf to the Plan are eligible to participate in the Plan.
- The Internal Revenue Service has previously issued a determination letter with respect to the qualification of this Plan.

RIGHTS OF INTERESTED PARTIES

- You have the right to submit to EP Determinations, at the above address, either individually or jointly with other interested parties, your comments as to whether this Plan meets the qualification requirements of the Internal Revenue Code. You may instead, individually or jointly with other interested parties, request the Department of Labor to submit, on your behalf, comments to EP Determinations regarding qualification of the Plan. If the Department declines to comment on all or some of the matters you raise, you may, individually, or jointly if your request was made to the Department jointly, submit your comments on these matters directly to EP Determinations.

REQUESTS FOR COMMENTS BY THE DEPARTMENT OF LABOR

- The Department of Labor may not comment on behalf of interested parties unless requested to do so by the lesser of 10 employees or 10 percent of the employees who qualify as interested parties. The number of persons needed for the Department to comment with respect to this Plan is 10. If you request the Department to comment, your request must be in writing and must specify the matters upon which documents are requested, and must also include:

(1)The information contained in Items 2 through 5 of this Notice; and (2) The number of persons needed for the Department to comment.

A request to the Department to comment should be addressed as follows:

Deputy Assistant Secretary Pension and Welfare Benefits Administration ATTN: 3001 Comment Request U.S. Department of Labor 200 Constitution Avenue, N.W. Washington, DC 20210-0002

COMMENTS TO THE INTERNAL REVENUE SERVICE

- Comments submitted by you to EP Determinations must be in writing and received by Monday, September 16, 2002. However, if there are matters that you request the Department of Labor to comment upon on your behalf, and the Department declines, you may submit comments on these matters to EP Determinations to be received by them within fifteen days from the time the Department notifies you that it will not comment on a particular matter, or by Monday, September 16, 2002, whichever is later, but not after Monday, September 30, 2002. A request to the Department to comment on your behalf must be received by it by Thursday, August 15, 2002, if you wish to preserve your right to comment on a matter upon which the Department declines to comment, or by Monday, August 26, 2002, if you wish to waive that right.

ADDITIONAL INFORMATION

- Detailed instructions regarding the requirements for notification of interested parties may be found in Sections 17 and 18 of IRS Revenue Procedure 2001-6. Additional information concerning this application (including, where applicable, an updated copy of the Plan and related trust; the application for determination; any additional documents dealing with the application that have been submitted to the IRS; and copies of Section 17 of Revenue Procedure 2001-6) are available from Plan Administrator, located at 450 Harrison Street, San Francisco, California 94105, during office hours for inspection and copying. (There may be a nominal charge for copying and/or mailing.)

Master guilty of bribery bid

A Hong Kong magistrate has sentenced Wang Xiufeng, master of the 7,943DWT China-registered dry cargo ship *Tian Chang*, to four months detention for offering a bribe to a marine department surveyor to give his vessel a clean bill of health.

Surveyor Kwan Kan-fat carried out a port state control inspection on June 18 and detected nine deficiencies, two of them serious, necessitating detention of the vessel. While Kwan was completing his report in the master's cabin, Wang held a \$100 note in front of him. Thinking it was an inducement not to detain the ship, Kwan told the master to put the money away and made a report to the Independent Commission Against Corruption the following day. The master was arrested and admitted the bribery attempt. The ship had arrived from South Korea and was scheduled to return to China. As of June this year, 436 vessels were inspected under PSC in Hong Kong and 36 of them were detained.

New pensioners

The following SUP members join the ranks of pensioners, bringing the total number of SUP members to 989.

James S. Phelps 69, Book #3804, joined SUP in 1950, 20 years seetime.

Gary B. Hohn, 60, Book #5821, joined SUP in 1965, 29 years seetime.



SUP President's Report

July 8, 2002

MATSON NAVIGATION COMPANY NEGOTIATIONS

On June 30, after seven protracted bargaining sessions, the SUP, MFOW, SIU-A&G-Marine Cooks (comprising the SIU-Pacific District) reached agreement with Matson.

The specifics of the agreement, which is subject to membership ratification, are as follows:

TERM OF AGREEMENT:

July 1, 2002 through June 30, 2005

WAGES AND WAGE-RELATED ITEMS (Overtime, Supplemental Benefits, etc.)

Effective July 1, 2002: 3% increase

Effective July 1, 2003: 3.25% increase

Effective July 1, 2004: 3.25% increase

COST OF LIVING ALLOWANCE

Based on the percentage increase between the April 2000 Index and the April 2003 Index of the Consumer Price Index—United States City Average for Urban Wage Earners and Clerical Workers or its agreed-upon successor—published by the Bureau of Labor Statistics of the U.S. Department of Labor (1982-1984=100), effective July 1, 2003, a full cost of living adjustment equal to such percentage increase in the Consumer Price Index shall be added to the base wage and all wage-related items **if the COLA exceeds the negotiated increase in 2003; but, in any case the COLA shall be capped at 4.0%.**

Based on the percentage increase between the April 2000 Index and the April 2003 Index of the Consumer Price Index—United States City Average for Urban Wage Earners and Clerical Workers or its agreed-upon successor—published by the Bureau of Labor Statistics of the U.S. Department of Labor (1982-1984=100), effective July 1, 2004, a full cost of living adjustment equal to such percentage increase in the Consumer Price Index shall be added to the base wage and all wage-related items **if the COLA exceeds the negotiated increase in 2004; but, in any case the COLA shall be capped at 5.0%.**

NEW HOLIDAY: Kamehameha Day (June 11)

SUPPLEMENTAL BENEFITS

Vacation Increases:

Effective January 1, 2003: 1 additional day

Effective July 1, 2003: 1 additional day

Effective July 1, 2004: 1 additional day

Pension increases:

· \$50.00 per month for members retiring after July 1, 2002 with 25 years seetime.

· \$20.00 per month on a pro rata basis for current pensioners who retired after age 55.

Training:

\$2.00 increase over the term of the agreement to each Union's training fund.

July 1, 2002: 50 cents

July 1, 2003: 50 cents

July 1, 2004: \$1.00

GENERAL RULES

Section 9. Safe Gear and Safe Working Conditions shall be amended to add the following language:

(g) Smoking is prohibited in all common area interior spaces on board all vessels, whether in port or at sea, except where specifically authorized under current collective bargaining agreements. Otherwise, smoking will be allowed only in the privacy of an individual's assigned stateroom or on weather decks,

and only at times when smoking is not prohibited by operational activities, such as bunkering or handling explosives. This policy applies to all Company employees, contractors and their guests.

(This is the same language that is in the ASM Agreement.)

Section 11. Quarters and Equipment for Quarters shall be amended to read:

(p) The Company will provide a computer terminal dedicated to the use of the crew, with a personal mailbox for each crew member, for the sending and receiving of email. Personal email, without attachments, will be transmitted without charge. All messages sent and received will be subject to the same rules and restrictions as those currently existing governing telegraphy communications from a Mobile Radio station. No business or commercial enterprise may be operated via crew email. This service is intended for the personal communications between a crew member and family and friends.

(u) The Company agrees to initiate a pilot program aboard one vessel testing the feasibility of satellite television.

(v) Problems with pay phones located at terminals are to be brought to the attention of the Company. Every effort will be made to have the terminal operator repair the phones.

Section 13. Provisioning, Storing and Feeding shall be amended to add the following:

Add to (e) **All vessels shall maintain a Slop Chest from which items will be sold on a basis of cost plus 10%. Included in the Slop Chest will be telephone calling cards sold on an actual cost basis.**

Section 15. General Duties, Emergency Duties, Drills, Firefighting amend to read:

(c) Drills

(2) Add: On vessels with a 21-man crew or less...

(The Negotiating Committee was not able to remove the 21-man reference. However the new ships could have a 20-man crew.)

Section 16. Lodging and Subsistence shall be amended to read:

In Port

(a) In port, if board and living quarters are not furnished, subsistence allowance amounting to **\$47.00** per day (**\$8.00** for breakfast, **\$15.00** for lunch, and **\$24.00** for dinner) and a room allowance of **\$49.00** per night shall be paid each unlicensed crew member, or crew members shall be paid the actual cost of lodging and subsistence upon the submission of receipts for same.

Add to: **(9) Departing West Coast ports for Hawaii decks shall be cleared and there shall be a complete stem to stern washdown including the house. The same shall apply when departing Hawaiian ports for the Mainland. On foreign voyages this provision shall apply upon departure from the last U.S. port and departure from the last foreign port. No washdown is required between the San Francisco Bay Area and Los Angeles/Long Beach.**

Section 17. Transportation shall be amended to read:

(a) When unlicensed crew members are separated from a vessel because of illness or injury incurred in the service of a vessel (except on account of willful misconduct, desertion, or failure to join), they shall be paid wages, as well as subsistence at the rate of **\$15.00** per day when subsistence is not furnished, and **coach class transportation back to the port of engagement; provided, however, that if a repatriated seaman's medical condition, as determined by the attending physician, requires more space than is available in coach class, the parties will agree on first class repatriation.**

(This language was agreed to in exchange for Kamehameha Day.)

When unlicensed crew members are separated from

a vessel because of its being sold, laid up or withdrawn from service, or in case of shipwreck or disaster necessitating the abandonment of ship, they shall be paid wages, as well as subsistence at the rate of **\$15.00** per day when subsistence is not furnished, and first class transportation (except air transportation shall be coach transportation regardless of the duration of the flight).

(c) Unlicensed crew members paid off under these conditions shall instead of transportation, wages and subsistence receive the prevailing coach air fare (as defined above) plus tax, plus **\$30.00** for limousine expenses. **Reasonable limousine and taxi fares exceeding \$30.00 shall be reimbursed upon submission of receipts.**

(j) Any man dispatched to join a vessel laying at outlying docks or outports on the Pacific Coast shall be paid transportation fares as set forth in Appendix "B".

The rates set forth in Appendix "B" shall be updated annually, upon the anniversary date of this agreement, to reflect the current actual fares. Any man who completes his time aboard a vessel shall be paid transportation fares as set forth in Appendix "B". No one shall be paid transportation who quits, is fired or takes a trip-off.

(h) A sick or injured crew member who is entitled to repatriation at the expense of his vessel shall be entitled to receive transportation in accordance with Section 17(b). If a man is sick or injured in the service of his vessel and such sickness or injury requires that he leave the vessel for hospitalization in the United States, the Company will provide **coach class** transportation back to the port of engagement **unless the attending physician determines first class transportation is necessary due to the nature of the injury or illness.** A sick or injured crew member who is entitled to repatriation under this Section shall be provided transportation from the airport or dock to the hospital by Company car or taxi. When possible, the Union shall be notified of the arrival time of crew members who are to be hospitalized.

Section 22. Explosives amend to read:

(c) **The straight-time rate for handling of explosives shall be as per the 2002-2005 ILWU/PMA Agreement.**

Section 38 (New) - Passports and Visas

Effective January 1, 2003, it shall be a condition of employment on all vessels that a crew member possess a valid passport. If there are special circumstances that prevent the U.S. State Department from issuing a passport, he may still be employed aboard domestic vessels upon the mutual agreement of the Company and the Union.

Provided that receipts are provided to the Company, crew members employed in Company vessels engaged in foreign trade shall be reimbursed for the cost of obtaining a Visa for China or other countries that require a Visa. Such reimbursement shall not be made to the same crew member more than one time a year.

Throughout bargaining the Unions pressed Matson on several key issues. The Company's relationship with Saltchuk Resources, which with Matson are partners in Sea Star Lines in the Puerto Rico Trade, prompted the Unions to question whether Matson intended to operate a double-breasted service to Hawai'i or other trade routes with Sea Star. Captain Jack Sullivan, chief negotiator for the Company, initially less than responsive on this issue, eventually reduced to writing as demanded by the Unions that Matson would comply with Section 3 of the General Rules regarding what vessels are covered by the Agreement as well as affirming verbally that Matson has no intentions of operating double-breasted. As far as Matson's potential purchase of part of CSX Lines, the Company refused to divulge any information—which means something is in the works.

Pensions and the funding of the SIU-Pacific District Pension Plan were also extensively discussed. The Unions pointed out that both Matson and ASM (and before that APL) have not made contributions to the Plan since 1993 when it was declared "fully funded."

President's Report continued

During bargaining, the Unions proposed that Matson resume making contributions in the amount of \$3.52 per manday to pay for the administrative expenses of the Plan which retains a reserve of \$11 million for future administrative costs. If Matson and ASM resumed contributions, the net result would be that there would be more money available for pension increases. The difficulty in achieving that objective is that the ASM agreement runs until September 30, 2005 and that any pension contribution at present would have to come out of wages. Faced with this situation, the Unions decided that the only course open was to differ the issue until 2005 when the agreements with both companies expire.

Carriage of spouses aboard company vessels was also proposed by the Unions and rejected by Matson even though licensed personnel have that right. This blatant two-pot system is an insult to all who sail in the foc'sle. Matson relented somewhat when it indicated on the last day of bargaining that it would consider a pilot program when the new Kvaerner ships are delivered.

M/V MOKU PAHU SPECIAL AGREEMENT

The special agreement for this integrated tug and barge was renewed for another three years with the following wage increases:

September 1, 2002: 4%

September 1, 2003: 4%

September 1, 2004: 4%

SUP WORK RULES

The SUP Negotiating Committee met several times with Matson on Work Rules and was successful in making improvements to the agreements. Those changes are:

Appendix A—Manning — amend as follows:

Standby Employment

The Company agrees to employ SUP standby shore support for a minimum of 1,300 mandays during each of the following periods:

July 1, 2002 to June 30, 2003

July 1, 2003 to June 30, 2004

July 1, 2004 to June 30, 2005

Section 33. Handling Ship's Stores

amend as follows:

(a) Deck Stores.

Sailors may be required to handle deck stores on dock and/or aboard ship. **If required to handle voyage stores on the dock and/or aboard ship, the Sailors shall be compensated at the overtime rate.**

Add: (e) A minimum of two sailors shall be used in the operation of each existing stores crane.

Section 36. Departure-Setting Watches

shall be amended to add the following:

(d) ...It is agreed that when additional men are required to assist the Watchstander in lowering or hauling in the pilot ladder or for other operational duties, the previous watch shall be used.

(e) Add after the first paragraph the following sentence:

The Bosun shall not be assigned to navigational duties until this work is completed, except when departing Puget Sound.

Section 37. Arrival-Breaking Watches

shall be amended to add the following:

(d) ...It is agreed that when additional men are required to assist the Watchstander in lowering or hauling in the pilot ladder or for other operational duties, the previous watch shall be used.

In addition, the Union agreed to meet with the Company on port security issues once the government issues final regulations. It should be noted that the manning scale remains status-quo and that the new vessels—named the CV 2600 *m/v Manukai* class will have six ABs like the *R.J. Pfeiffer*.

SUP MAINTENANCE AGREEMENT

The Negotiating Committee was successful in achieving changes to the Maintenance Agreement that were rejected by the Company in 1999. Those changes are:

Section 3. Hours — amend to read:

(c) **On holidays employees who are requested and agree to work on any of the regular holidays — in addition to their normal holiday pay which they would receive for not working on such day — shall receive one and one-half (1½) times their straight-time rate of pay for such work and be guaranteed a full shift's pay, whether a full shift is worked or not unless the employee does not want to work a full shift, in which case he/she will be paid for actual time worked.**

Section 4. Wages — amend to read:

(c) When spraying, sandblasting or **high pressure (4,000 psi) waterblasting** in enclosed spaces there shall be an extra compensation of \$1.65 per hour paid to each employee engaged in this type of work.

Section 12. Holidays — amend to read:

Holidays for the shoregang members shall be the same holidays granted to the longshoremen in the Hawaiian ports. Wages at the straight-time rate shall be paid to the employees covered by this Agreement for work performed by them on the following days:

New Year's Day	Kamehameha Day
January 2 (Jack Hall Day)	Independence Day
Lincoln's Birthday	Labor Day
President's Day	Veterans' Day
Good Friday	Thanksgiving Day
Memorial Day	Christmas Day
Employee's Birthday	

Employees who are requested and agree to work on any of the regular holidays listed here — in addition to their normal holiday pay which they would receive for not working on such day — shall receive one and one-half (1½) times their straight-time rate of pay for such work and be guaranteed a full shift's pay, whether a full shift is worked or not unless the employee does not want to work a full shift, in which case he/she will be paid for actual time worked.

To be eligible for holiday pay, the employee must have worked the last regular workday of his work schedule prior to, and the first regular workday of his work schedule following, the holiday. Payments will be made in cases where absence on the workday prior to, or on the workday following, the holiday was due to industrial accident or bona fide illness, vacation or other absence excused by the Employer.

If a holiday recognized under this Agreement falls on a Saturday or a Sunday, the holiday shall be recognized on the nearest regular workday preceding or subsequent to said holiday in accordance with the national holiday structure, except that additional holidays for longshoremen or clerical staff shall be observed in accordance with local custom and practice.

Section 15. Supplemental Disability Benefits

amend to read:

The Employer signatory to this Agreement agrees to furnish a supplemental benefit of **\$112.00 per week** to run concurrently with **state disability benefits** and not to exceed 39 weeks. Eligibility requirements for supplemental benefits shall be identical to the eligibility requirements of **state disability** benefits, except that the supplemental benefits will commence after a waiting period of three days.

Section 19. Funeral Leave — amend to read:

In the event of a death in the family (spouse, father, mother, brother, sister, son, daughter, **father-in-law, mother-in-law, grandmother, grandfather**)...

Although, as of this date, a Memorandum of Understanding has not been signed, the SUP Negotiating Committee comprised of Gene Van Klinken, Sonny Cooper, Lou Frazier, Paul Fuentes, Lige Midkiff and your secretary recommends that the Agreement be ratified as bargained.

ONE-MAN WATCH PROPOSAL

Prior to bargaining with Matson over SUP Work Rules, there was a considerable amount of correspondence sent by the membership to the SUP Negotiating Committee regarding the one-man watch system since that system is in effect in American Ship Management vessels and was proposed by Matson in 1999.

In this round of bargaining the Negotiating Committee caucused several times on this issue, ultimately deciding not to formulate a proposal on the subject unless the company made the first move. On June 18, Matson submitted to the Committee a one-man watch proposal that mirrored the ASM system, encompassing all liner vessels including those in the Hawai'i trade.

The Negotiating Committee, obligated to bargain in "good faith" under federal labor law, counter-proposed the following on June 21:

- AB/Watchstanders shall be paid at the overtime rate for all watches stood on Saturdays Sundays and holidays whether at sea or in port.
- AB/Dayworkers shall work the hours described in Section 11(c) of the SUP Work Rules;
- The Company shall offer AB/Dayworkers a minimum of eight (8) hours work at the overtime rate every Saturday, Sunday and holiday whether at sea or in port.
- The Company shall offer AB/Watchstanders a minimum of four (4) hours work at the overtime rate every day at sea and eight (8) hours work at the overtime rate on Saturdays Sundays and holidays in port.

On June 28, the Company rejected the Union's counter-proposal stating that it was "too costly." However, after agreement was reached in General Rules bargaining on the night of June 30, Matson resurrected the one-man watch issue and submitted the following revised proposal:

Hawai'i Vessels:

- 1) The manning scale would be 3 AB/Watchstanders and all others would be AB/Dayworkers;
- 2) AB/Dayworkers would not become watchstanders unless called from below—overtime after 5:00 P.M. and before 8:00 A.M.;
- 3) AB/Dayworkers would be paid at the AB/Watchstander rate;
- 4) AB/Dayworkers would be offered a minimum of eight (8) hours overtime every Saturday (including the required four (4) hours Saturday morning), Sunday and holiday at sea or in port. This offer would not include necessary overtime for navigational duties;
- 5) AB/Watchstanders would be offered a minimum of four (4) hours overtime daily including Saturdays, Sundays and holidays at sea and in port. This offer would not include necessary overtime for navigational duties;
- 6) Supper relief—the Company indicated this could be covered by either a Dayworker or Watchstander at the overtime rate.

Far East Vessels (C-9s):

- 1) These ships would operate under the same system used in ASM vessels except that AB/Dayworkers would be offered eight (8) hours overtime every Saturday (including the required four (4) hours Saturday morning), Sunday and holiday and the AB/Watchstanders would be offered a minimum of four (4) hours overtime daily including Saturday, Sundays and holidays. This overtime "offer" or guarantee would apply only during the trans-Pacific legs of the voyage when the one-man watch would be in effect;
- 2) This offer would not include necessary overtime for navigational duties;
- 3) Upon arrival in the Far East or the West Coast, the two-man watch system would go into effect.

Matson's representatives stated that its proposal would "increase productivity" as well as give it the same manning configuration in the Hawai'i trade as CSX Lines (with an SIU-A&G/NMU crew) and with ASM's J-10's operating in tandem with Matson's C-9's on the West Coast-Guam-Far East run.

The Negotiating Committee, without agreeing to the Company's proposal, again proposed that AB/

Vice President's Report

July 2002

Watchstanders be paid at the overtime rate for watches stood on Saturdays, Sundays and Holidays. This proposal was, again, flatly rejected as being too expensive.

The Negotiating Committee reconvened on July 2, to caucus on the company's proposal. What follows are the points discussed in the Committee's deliberations:

Although sailors are currently working the maximum amount of maintenance overtime in most Matson vessels, that overtime can be reduced or eliminated at any time at the discretion of the Company. Under the Company's proposal, overtime would in essence be guaranteed by being offered. The decision on whether to turn-to for this kind of work would be left to the individual, not the mate or the "budget", which would be a historic first since overtime was first negotiated by the SUP.

The Committee also took note of the fact that maintenance overtime is currently being worked primarily due to the age and condition of Company vessels. With a fleet replacement program underway as evidenced by the recent purchase of two vessels under construction at Kvaerner Philadelphia Shipyard and four to six more new ships being considered by Matson, the amount of available maintenance overtime will drop significantly when these vessels are put into service. Committee members recalled that when the *Manulani*, *Manukai*, *Kauai*, *Maui*, *Lurline* and *Matsonia* were delivered—and for many years thereafter—overtime was generally limited to undocking, docking and washdown both leaving the Coast and departing Hawai'i. Under this proposal, earnings and income would be protected, addressing pre-negotiation membership input that indicated a frustration in being financially dependent on unreliable overtime income.

The Committee also took into consideration the fact that the five year, 11 ship experience with ASM under a one-man watch system has been generally positive and that implementation of that system with Matson might be viewed by some as an improvement in conditions by those who prefer daywork over watchstanding or watchstanding over daywork. It was also pointed out that if Matson's proposal was implemented it might help in bargaining with ASM.

The negative aspects of the proposal were also discussed. Overall overtime hours, especially for Dayworkers, would most likely decline in the short term even after being offset by the guaranteed hours. However, this is likely to become a reality with the delivery of new ships. AB/Dayworkers would likely be the most affected unless a counter proposal for a Monday through Friday overtime guarantee was proposed by the Union and accepted by the Company. The other negative variable in Matson's proposal is that it will change the status-quo regarding watchstanding, which some members oppose.

The Committee concluded that although Matson's proposal has merit, more membership discussion is necessary. The Committee therefore recommends that the proposal be brought before the membership at the July and August coastwise meetings. If the vote is in the affirmative, it will authorize your secretary-treasurer to continue bargaining with Matson on the proposal. Any agreement reached would be subject to membership approval.

Request concurrence with the SUP Negotiating Committee's recommendation.

FOSS MARITIME COMPANY

On June 24 and 25, SUP members employed by Foss in the company's San Francisco Bay Bunkering Operation caucused at Headquarters to discuss issues pending with the company. Those participating were rank-and-file members Alex Castillo, Steve Cushman, Tom Faraola, Chris Fuller, Mike Higa, Mel Jackson, Don Nichols, Rick Nickerson, Mike Potenti, Walter Price, Carl Turner, Tom Tynan, Eric Weintraub, Mike Worth, Paul Wuestewald, Vice President Dave Connolly and your secretary.

Connolly who has been meeting periodically with Foss along with co-delegates Tynan and Worth, gave a progress report on draft seniority language, flex-tankermen work schedules, the Barge 210, members working out of San Francisco Bay, and a proposal from the IBU for a Joint Call-Out Tug Process. With strong membership input progress is being made on these issues and it is hoped resolution can be achieved soon. Any changes to the collective bargaining agreement will be acted upon by those working at Foss and the general membership.

QUARTERLY FINANCE COMMITTEE

In accordance with Article XVII, Section 2, of the SUP Constitution, a Quarterly Finance Committee shall be elected at today's Headquarters' meeting to review the finances of the Union for the second quarter of 2002, and report back to the membership at the August coastwise meetings.

In the event the Committee cannot be filled today, recommend that when the quarterly audit is completed, which will be in about three weeks, necessary Committee members be shipped off the hiring hall deck as per past practice. The Quarterly Finance Committee will turn-to on Friday, August 9, at 9:00 A.M.

LONGSHORE HOLIDAY

SUP hiring halls on the West Coast will be closed on Monday, July 29, in observance of an ILWU holiday (Harry Bridges' birthday) which falls on Sunday, July 28.

In accordance with the collective bargaining agreements with ASM, Matson and the San Francisco Bar Pilots it is a holiday for all ASM and Matson vessels in West Coast ports, ASM and Matson shoregangs on the West Coast and for run boat operators employed by the Bar Pilots.

ACTION TAKEN

M/S to ratify the Matson Agreement.

M/S to concur with Negotiating Committee to authorize the secretary-treasurer to continue bargaining with Matson on the one-man watch. Carried unanimously.

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

Quarterly Finance Committee elected: Joe Lopez, Tom Koppel, Art Thanash, Lou Frazier and Sonny Cooper.

Gunnar Lundeberg

Military Exercises

The *USNS Seay* returned from Thailand after successful participation in the annual Cobra Gold exercises. This joint operation of U.S. and Thai military involved eight MSC and MSC-chartered ships. At 950 feet long, 34 foot draft, the *Seay* was the largest ship in the exercise. When fully loaded the *Seay*, like the rest of the LMSR fleet, carries more military equipment than any other ship in history. The ship's crew performed flawlessly during the more than seven weeks in Thailand, as they did again during the cargo operations in Honolulu, Seattle, and San Diego. The *Fisher* returned from Spain with some of the equipment transported by the *Pililaau* last month. The *Fisher* will home port in Violet, LA, alongside the *Pililaau*. The *Yano* and the *Shugart* are now in Baltimore, MD, with the *Gordon*, *Gilliland* and *Mendonca* in Norfolk, VA. The *Brittin* is in the yard at Avondale and the *Bob Hope* is scheduled for delivery in September.

The *Cape Gibson* also recently completed a military exercise in the mid-Pacific called the RIMPAC 2002 War Games. Taking on 142 separate loads of supplies, the *Gibson* conducted underway replenishment operations with seven naval ships. Call from the delegate Steve Zombro indicates all is well under the able direction of bosun Danny Foster.

Wages, conditions, and opportunities continue to improve in the SUP's contracted government ships. Members interested in working in the LMSR's should contact the Andrew Furuseth School of Seamanship (1-800-796-8003) to sign up for LMSR training. The next class begins on August 13, and runs through August 28. Any member who has shipped or intends to ship in the LMSR's, and needs to recertify their small arms endorsement, should also contact the School. The next small arms recertification class will be on August 6-7, and then again on August 29-30.

Bloody Thursday

On July 5, 2002, 68 years after the most important strike in the history of the labor movement, I attended and participated in the usual commemorative ceremonies here in San Francisco. The effects of the Big Strike of 1934 permeate every aspect of our working life since much of the language, conditions, and compensation structure of our present agreements can be traced to that event. The SUP was at the center of that strike, and Harry Lundeberg was the first president of the strongest labor coalition ever built: the Maritime Federation of the Pacific. But the impact of our legacy goes far beyond our own employers, agreements, and industry. The activities of this membership in the mid-1930's helped call the world's attention to the U.S. West Coast as the first and solitary place where workers finally broke out and stood up for themselves. In Washington, nervous lawmakers reacted to the Big Strike by passing the National Labor Relations Act in 1935. Although undermined by Taft-Hartley in 1947, (which stopped short of abolishing the hiring hall due to the SUP), and Landrum-Griffin in 1959, the NLRA stands as the Magna Carta of labor law because it recognized the right of all workers to organize. Accordingly, every trade union in the country depends every day on the legal underpinnings that the SUP helped to create beginning on Bloody Thursday, 1934.

Dave Connolly

Record of SUP Shipping June 2002

	Hdqs	Seattle	Wilm	Hono	Total
Bosun	10	2	5	1	18
Maint. Man	2	0	0	0	2
A.B. Dayworker	0	0	3	0	3
A.B.	35	11	28	8	82
O.S.	5	0	1	1	7
Standby	52	12	74	26	164
TOTALS	104	25	111	36	276

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SUP Branch Reports

Seattle

June 17, 2002

Shipped during the period: 2 bosuns, taken by 2 B cards, 11 ABs filled by 1 A card 4 B cards, 5 C card and 1 D registrant. Also had 13 standbys filled by 3 A cards, 6 B cards, 2 C cards and 2 D registrants.

Registered during the period: 12 A cards for a total of 38 members; 4 B cards for a total of 26 members, and 8 C cards for a total of 14 members.

Ships checked

APL Philippines, APL Thailand with clean payoffs and no beefs. Maui, Manulani and Kauai running smoothly. With two of APL's C-11's at the shipyard in Singapore, shipping has been a little slow around here. The Lihue is due out of the yard in Victoria and looks like Seattle may get a couple of berths when she sails.

The SUP joined the Inlandboatmen's Union and the Deep Sea Fishermen's Union at U.S. Senator Patty Murray's GTS awards. Senator Murray has been very receptive to labor and maritime industry requests.

I participated at the Washington State Labor Council COPE endorsement convention, the King County Labor Council meeting, the KCLC Port Coalition meeting, the Seattle Port Commissioners meeting on Port Security and the Puget Sound Harbor Safety meeting. November elections are right around the corner and it is critical that all of us help to get labor friendly candidates elected to office. We need volunteers to help put up campaign signs, to help with phone banking and most of all we need voluntary contributions to our political fund. Please help!

Vince O'Halloran
Branch Agent

Wilmington

June 17, 2002

Shipped the following during the period: 3 bosuns, 22 ABs, 4 AB maint., 3 OS, and 70 standbys for a total of 102 jobs shipped.

Registration: 55 A members, 31 B members, 11 C members and 0 registrants.

Ships checked

Lurline-Willie Millsap delegate; APL Korea-Tony Fague delegate; President Jackson; Manoa; Ewa-Dean Smith delegate; APL Philippines-Don Potts delegate; Mokihana; Chevron Washington; R.J. Pfeiffer-Keith Miller delegate; President Adams, Mahimahi, APL Thailand-Mark Lafayette delegate; Chief Gadao-Alexander Earle delegate.

On the afternoon of our last meeting (May 20), I attended a Veteran's Memorial meeting. If you drive by our memorial, you will see that they have put up a fence and started work on the Wall. It should take approximately four months to complete.

That same night, Steve Callahan and I attended the LA Federation of Labor meeting in downtown Los Angeles. They elected new officers in record time as the Lakers had a playoff game that night.

On the 22nd of May, we celebrated Maritime Day. Ted Kedzierski once again organized and emceed a grand event. The speakers included Councilwoman Janice Hahn of District 15, Commander Cummings of the Coast Guard, Harbor Commissioner Thomas Warren, and Los Angeles Maritime Museum Director Dr. William Lee. All had praise for the U.S. Merchant Marine past and present. The luncheon that followed included humorous anecdotes by John Pitts and a fine presentation by Manfred Aschmeyer from the Marine Exchange of Los Angeles-Long Beach.

On May 23, there was a lunch sponsored by the Harry Bridges Institute. The speeches were about port expansion and pollution. Diane Middleton of the Institute, Peter Peyton and Mike Mitre of the ILWU were the main speakers.

On June 12, we had another Marlinspike class. George Jackson, Grant (Eli) Wegger and Duane Nash were the instructors. The next class will be on July 10, the second Wednesday of the month and if Sven Ostman is there, you will get his usual excellent lunch.

On the afternoon of June 12, met again with the Veteran Memorial Committee. We are making final decisions about how the names will appear on the Wall.

I went to an MTD meeting on Friday, June 14, again with Steve Callahan who is doing a find job of replacing Tony P.

Frank Salvatierra is at it again. He's built another first class bench fzzor our Wilmington hall. Thanks Frank.

The Wilmington hall extends its sincere condolences to Rich Reed and family.

Mark Hurley
Branch Agent

Ships checked

Maui, Lurline, Manulani, Chief Gadao, Matsonia, Lihue, Kauai, R.J. Pfeiffer and Ewa. All with few or no problems. Paint and rigging George Lua, bosun and Joe Montanona delegate OSHA safety issues.

The Honolulu membership extend their heartfelt condolences to Rich Reed and family.

Mike Duvall
Branch Agent

Norfolk Office

June 2002

Shipping was good for the month of June. Shipped 2 bosuns, 12 ABs, and 3 OS jobs. These jobs were filled by 6 B cards, 8 C cards and 3 D registrants.

Registered for shipping were 2 A members, 2 B members, 4 C members, and 3 D registrants.

It was a hectic month. FOS 3 ships in one week. The Briton called for a crew in Avondale on June 12. Bosun Rudy Musgrove and delegate Dennis Belmonte, have all things under control.

The Fisher called for a crew on June 15, sailed for Spain.

The Yano crewed up in Violet and sailed for Baltimore. On July 3, I paid off the Yano, also checked on the Shughart. Bosun Dale Gibson brought it in Bristol Fashion.

Made my rounds in Norfolk. Mendonca, Gililand and Gordon, all in top shape. Word from the Pililaau down below is: running smoothly.

Attention all LMSR sailors: Damage control is good for two and half years. Plus if your ship goes to a commercial dock you must get a picture I.D. that hangs around your neck, or you won't get in. Remember to carry all documents with you or you will be turned away.

If the Fisher calls at Moorhead City, I will drop by Sung Harbor and see the Old Timers.

Jack Stasko
SUP Representative

Honolulu

June 17, 2002

During the month of May 2002, dispatched the following: 1 bosun, 2 ABs, 1 AB. These jobs were filled by 3 B members, and 1 C member. Also shipped 10 standby jobs filled by: 1 A member, 3 B members, 5 C members and 1 D registrant. Total jobs shipped in May—14.

Registration for the month of May: 4 A member, 2 B members, 4 C members, and 3 D registrants. To this date we have registered 13 A members, 8 B members, 6 C members and 8 D registrants for a total of 35 members registered.

San Francisco Business Agent

June 8, 2002

Kauai—Archie Bickford, delegate: Back from Victoria shipyard; no disputes.

Mahimahi—Tom Larkin, delegate: Voyage pay off; no disputes.

Manoa—Anthony Labor, delegate: Voyage pay off. Disputed time for loading voyage cleared and paid.

Maui—Mike Dirksen, delegate: Triangle run, no disputes.

Manulani—Ian McLeod, delegate: No disputes, going to layup in Richmond.

Matsonia—Max Weisbarth, delegate: No disputes.

Moku Pahu—Rolando Mendoza, delegate: Clarification on overtime; going to lay-up at Oakland 7th Street.

ASM Shoregang—In good shape.

R.J. Pfeiffer—Keith Miller, delegate: On the triangle run.

President Adams—Jim Luke, delegate; Chris Bright, bosun: Voyage pay off, no disputes.

President Grant—Gabe MacDonald: In good shape; no disputes.

President Jackson—Dennis Tinsley, delegate: Voyage pay off; no disputes.

President Polk—Armando Martinez, delegate: Paid off in Oakland; no disputes.

President Truman—Don Bohle, delegate: Disputed time on carpenter work. Voyage pay off.

Cape Gibson—Daniel Foster, delegate: Going to sea trials, then a trip to Pearl Harbor.

Cape Girardeau—Ready Reserve at Alameda; bosun Joe Lopez.

William Berger
Business Agent

Dispatcher's Report

Headquarters—June 2002

Deck	
Bosun	10
Carpenter	0
MM	2
AB	35
OS	5
Standby	52
Total Deck Jobs Shipped	104
Total Deck B, C, D Shipped	30
Engine/Steward	
QMED	0
Pumpman	0
Oiler	0
Wiper	0
Steward	0
Cook	0
Messman	0
Total E&S Jobs Shipped	0
Total E&S B, C, D Shipped	0
Total Jobs Shipped - All Depts. ..	104
Total B, C, D Shipped-All Depts. ..	30
Total Registered "A"	78
Total Registered "B"	60
Total Registered "C"	8
Total Registered "D"	7

Bloody Thursday



photo: Bobby Iwata MFOV

SUP members on July 5 outside the ILWU Local 10 in observance of Bloody Thursday: In front from left: Mike Bailey, Ruth Weisberger (daughter of the late SUP President Morris Weisberger), Sol Berger, Jim Cunningham, Chuck Smith, Arthur Thanash. Back row from left: Ernie Stimach, SUP Vice President Dave Connolly, Gene VanKlinken, Joe Piscopo, SUP Business Agent Bill Berger, and Terry Lane.