



West Coast Sailors

Official Organ of the Sailors' Union of the Pacific

Volume LXXI No. 11



583

SAN FRANCISCO, CALIFORNIA

Friday, November 21, 2008

California Voyager joins Chevron's U.S.-flag fleet with Sailors' Union aboard in all unlicensed departments



AB Chad Avellar (delegate), AB Ken Thueringer, Deck Machinist Brett Barthelmy, AB John McAuliffe and Bosun Thor Eriksen at San Francisco's Pier 80 renaming ceremony on November 6. Other members of the crew who were not in the photo op (because they were working) are Chief Steward Bill Gulley, Messman Walt Larkin, Engine Machinist Mark Pitcher, Utility Lisa Stokes, Wiper Ernest Robles, AB Daniel Babatunde, AB Isigani Cruz and AB Kelley Eggers.

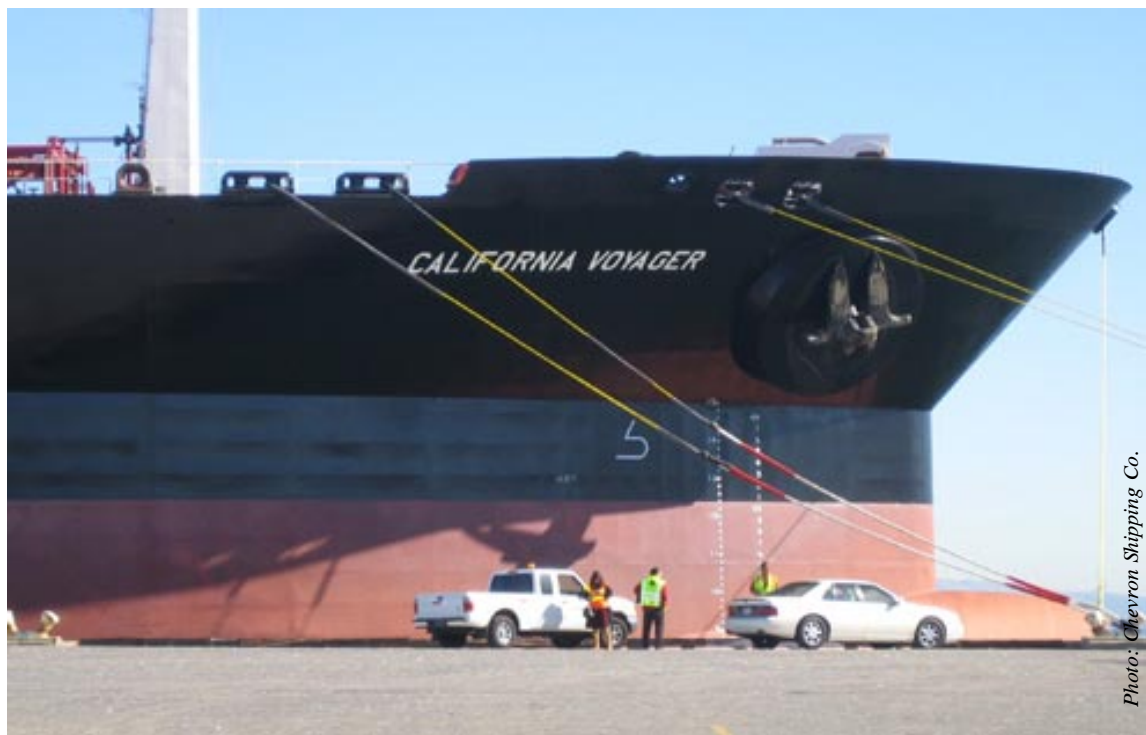


Photo: Chevron Shipping Co.

Chevron Shipping Company added another vessel to its growing U.S.-flag operation this month when the *California Voyager* joined the fleet.

The *California* was originally built for Hvide Marine Inc. at

Newport News in 1999, and christened *HMI Brenton Reef*. Acquired by SEACOR, parent company of Seabulk Tankers, she was renamed *Brenton Reef*. After an extensive retrofit at Cascade General Shipyard in Portland, she was transformed

into the *California Voyager*.

This single-screw, diesel-powered, petro-chemical tanker is both double-hulled and double-bottomed. She is 590'55" long and 105'6" in breadth with a capacity of 347,673 barrels. Her deadweight metric tonnage at summer loadline is 45,671. Powered by a two stroke single acting,

crosshead type, direct reversible, turbocharged engine manufactured by Hyundai Heavy Industries, the *California* can make 16 knots.

The vessel has 17 cargo tanks that are served by a Framo pumping system. The *California* is capable of discharging 10 grades simultaneously and all systems are connected via a

"mix-master" which uses a combination of valves and spectacle to connect the systems. The ship is capable of complete discharge in 24 hours.

The *California Voyager* is on long-term bareboat charter from Seabulk and is slated to trade between the West Coast and Gulf Coast.

Grim economic conditions forces Neptune Orient-APL to slash jobs; close Oakland headquarters

Singapore-based Neptune Orient Line, the parent company of American President Lines, announced on November 19, that it was eliminating 1,000 shoreside jobs in North America and will shut down APL's headquarters in Oakland due to "grim" economic conditions.

In a letter to APL/NOL employees, NOL Group President and CEO Ron Widdows said that the company is "facing extremely difficult business conditions in the wake of the global financial crisis. We are now seeing dramatic impacts on the engine that drives international grade —spending

by consumers— there has been an acute drop in trade flows in the major East/West trades. The external environment over the past month has worsened considerably over the past month and we anticipate further deterioration in trading conditions going forward."

Widdows added: "NOL expects to post an operating loss in the fourth quarter of this year and the situation we face, in terms of our outlook for profitability in 2009, is indeed grim.

"We don't see a recovery from these challenging conditions for quite some time and the potential exists for them to

persist for the next few years. The fact is no one knows how long this extraordinary situation will last and how deep it will go. The shifts that have occurred in global markets go beyond a normal cyclical downturn. They necessitate hard decisions and require us to take fundamentally different approaches to those we have pursued in the past.

The senior management of the company is finalizing work on what has been a very difficult 2009 budgeting process. We have decided on a number of actions to reduce costs and to place the cost structure of our Group on a more sus-

tainable footing."

NOL has a global workforce of approximately 11,000 with 350 facing the possibility of losing their jobs in Oakland where APL's headquarters will be moved "to a new more cost effective location elsewhere in the United States."

According to Widdows, the company's goal is to save over \$200 a year by reducing operating costs and laying up ships. NOL's liner arm APL is reducing capacity by 25 percent in the Asia-Europe trade and around 20 percent in the TransPacific trade.

None of the nine U.S.-flagged vessels crewed by the SUP have, thus far, been affected.



Periodicals postage paid at San Francisco, CA (USPS 675-180)

Shipowners set to axe 25% of carrier fleet as auto sales slump worldwide

Up to a quarter of the world's fleet of pure car and truck carriers (PCTC) could be heading for the scrapyards as shipowners take action to slash capacity in line with factory production cuts.

Many of the ships used to transport vehicles were built between 1978-1988, and may soon be removed from service as the specialist lines that operate PCTC tonnage move fast to respond to rapidly changing market conditions.

The unprecedented slump in new car sales is forcing motor manufacturers around the world to shut down for an extended period over Christmas and scale back output wherever they can. The handful of lines engaged in the ocean transportation of cars and trucks are scrambling to react to their customers' plight.

NYK Line, the world's largest PCTC operator with a fleet of 120 ships, was preparing to get rid of older tonnage. The Japanese line has a number of vessels aged between 25-35 years, and with capacities ranging in size from around 700-5,000 car equivalent units, that could be eligible for demolition.

Norway's Hoegh Autoliners and Wallenius Wilhelmsen Logistics (WWL), the joint venture between the two Scandinavian owners, Wallenius Lines and With. Wilhelmsen, also expect to demolish older tonnage. Each have large vessels on order, while Hoegh, in which AP Moller-Maersk has a shareholding, has five ships that will be lengthened next year. But all are considering scrapping of older tonnage.

In total, around 200 ships built in the decade to the late- 1980s could be broken up as older, fuel-hungry vessels are eliminated, experts said.

Ships have remained full to date, as car makers had already organized ocean transport before consumer spending nose-dived with little advance warning. While operators said they predicted a downturn, all had been taken by surprise by the speed of events. In the summer, lines were reporting a shortage of tonnage available to meet shippers requirements. "We had a 20% under-capacity in WWL," said the chief operating officer Kai Kraas. "So some correction will not be negative. No operator should be surprised at what has happened. What we are surprised with, though, is how fast it has happened."

Last-minute Bush initiatives threatens safety, family leave, environmental rules

The Bush White House is making "a last minute assault on the public" with a slew of end-of-term regulations that could roll back or weaken rules on job safety, family leave, airline safety and pollution.

Matthew Madia, of the nonprofit watchdog group OMB Watch, told reporters earlier this month: "It's environmental regulations, it's workers' safety, it's reproductive health, it's traffic safety, but the common theme is in a lot of cases the Bush administration is trying to remove restrictions on business and allow them to operate without any kind of government oversight It's intended to make sure that the kind of ideology and priorities that the Bush administration believes in are affecting the country for many years."

According to *The Washington Post*, at least 90 new regulations are in the works and if they become final before Bush leaves office:

New regulations become final after they are published in the *Federal Register* but usually don't go into effect until a 60-day congressional comment period expires. But ABC News reports that some of the proposed regulations have had the comment period drop from the traditional 60 days to just over 30 days.

Such a short comment period ensures last-minute regulations will be in effect when President-elect Barack Obama takes office January 20. That's why, the *Post* says, the business community is pressing hard for the Bush administration to move quickly. "...lobbyists...fear that industry views will hold less sway after the elections. The doors at the New Executive Office Building have been whirling with corporate officials and advisers pleading for relief or, in many cases, for hastened decision making."

The incoming Obama administration does have a tool it could use to undo the last minute regulations—the Congressional Review Act (CRA). It is the same procedure Bush used to overturn the Clinton administration's workplace ergonomics

rule that wasn't finalized until the end of Clinton's second term.

Under the little-used CRA, a regulation that is enacted within 60 days of congressional adjournment—October 3 this year—can be reviewed and overturned by a simple majority vote in both houses and Senate filibusters are not allowed. *Politico* reports congressional Democrats are considering a CRA strategy for some of the last-minute Bush rules.

OMB Watch says some of the controversial Bush rules have been finalized and the comment-clock is ticking, including a regulation that will make it more difficult for workers to use family and medical leave and another easing air pollution emissions standards on refineries.

One of the rules that has not been finalized but could be any day is the "secret rule" that could lead to increased exposure of workers to dangerous chemicals and toxins by changing the way worker exposure is measured. The rule was pushed by Bush political appointees over the objections of career health and safety professionals and kept secret until media report in July revealed the plan.

While the Bush White House is moving quickly to ease rules on industry, workers, as they have been for the past eight years, remain shut out. There are dozens of important workplace safety and health rules that remain buried in the Bush administration. Those proposals include a crane safety standard, as well as rules to protect workers from exposure to dangerous substances and chemicals such as silica, which can cause serious respiratory disease; diacetyl, a flavoring additive linked to "popcorn lung"; and beryllium, a light metal that can cause lung damage, especially to metal and dental workers. In addition, the Bush administration refuses to develop combustible dust rules that could help prevent explosions like the one in February at an Imperial Sugar plant that killed 13 workers.

SUP members participate in Women on the Water Conference



At the California Maritime Academy in Vallejo from November 6-8, SUP members (from left) Berit Eriksson, Diane Ferrari, Tamara Weeks (SUP & MM&P) and Robin Colonas (SUP & MM&P) participated in the 2nd Annual Women on the Water Conference. The conference—which included representatives from government, industry, labor and academia—provided an open forum for discussions highlighting current issues affecting women in the maritime industry.

Attendees heard from experts in the maritime community on issues regarding environmental change, human factors affecting mariners at sea, industry trends, employment opportunities and regulatory changes in the industry.

U.S. Coast Guard gets tough on terminal operators that refuse merchant mariners shore leave

A new U.S. Coast Guard directive has given the clearest indication yet of the federal agency's willingness to tackle the issue of seafarer access to shore leave directly with private terminals who refuse to grant it. While the directive stops short of mandating that the terminals allow shore leave, the language clearly indicates that granting such access is the USCG's tacit expectation from terminals.

The shore leave provision is a clear component of the International Ship and Port Facility Security Code that was implemented as of July 1, 2004. However, several private terminals in the US have refused shore access to foreign as well as US mariners, even with valid visas. In some cases, terminals require seafarers to pay cash fees for such access. Sources say these fees can run from \$250 to \$800.

The impending implementation of the Transportation Worker Identification Credential (TWIC), which mandates that only TWIC card holders be given access to shoreside facilities, is expected to add a new element of trouble to the shore access issue. This is because non-TWIC holding mariners - a category that would include almost all foreigners would be required to be escorted through the port facility by a TWIC holder, who would normally be a port chaplain or someone from the local maritime ministry. The North American Maritime Ministry Association have demanded that the USCG step in and rectify what the association believes is a violation of the letter as well as the spirit of the ISPS Code.

However, the USCG continues enforcing regulation 33 CFR in subchapter 11, which uses the phrase "must ensure coordination of shore leave". This is in contrast to the language in the ISPS Code, which requires terminals unambiguously to implement "procedures to facilitate" shore leave. Some USCG officials in the have sought to highlight that the agency cannot legally "force" terminals to grant shore leave.

A maritime ministry source said that this ambiguity had allowed many terminals to deny shore leave with impunity, often with the quasi-true disclaimer that the "terminal cannot allow such leave because of USCG requirements."

The latest directive which has been sent out to all captains of the port in the United States under USCG Commandant Thad Allen's authority, sets out the agency's clear, if implied, disapproval of such moves. "Regulated facilities have, in some cases, refused to grant this access using security considerations as the rationale," the directive notes. "Others have denied access because of perceived liability issues if persons not in their employ are injured while on the facility."

The document also makes it clear that only U.S. immigration officials have the final say on whether a mariner can come ashore. It notes: "Although a valid visa does not automatically guarantee access if customs and Border Protection determines that access may compromise security, the denial of access to shore leave by a regulated facility to those holding a valid visa and having clearance from CBP as well as the denial of access to representatives of seafarers welfare organizations runs counter to the intent of USCG regulations."

SUP Honor Roll

Voluntary contributions from the membership to the following funds:

Organization/ General Fund

Erik Finneman	50.00
Lymel Gador	25.00
Brandon Keopuhiwa	25.00
Gunnar Lundeberg	50.00
John McBride	50.00
Brian McCarthy	25.00
John Perez	50.00

Political Fund

Abraham Acosta	60.00
Robin Colonas	100.00
Colin Dewey, in memory of Ernie Acosta	100.00
Mike ElMobdy	50.00
Edward Franco	20.00
Dan Gabaree	30.00
Lymel Gador	25.00
David Garcia	20.00
David Green	30.00
Robert Greene	100.00
Nabeel Hafid	100.00
John Hamann, Jr.	20.00
Sheimaih Iaea	20.00
Lani Kalama in memory of Henry Kalama and son	100.00
Art Kardinal	50.00
Brandon Keopuhiwa	25.00
David Larsen	100.00
Gunnar Lundeberg	50.00
John McBride	50.00
Dennis Murphy	100.00
Ray Ramirez	30.00
Ralph Senter	100.00
Dave Shands	10.00
Tulilo Tautala	40.00
ErikBrandon Williamson, Jr.	10.00
Elroy Wong	10.00

West Coast Sailors

Thomas Basford	25.00
Lee Cherry	20.00
Erik Finneman	50.00
Wilton Gustafson	10.00
Thomas Larkin	20.00
Hans Lilledahl	25.00
Jack Milano	25.00
Dennis Murphy	100.00
Ed Pardo	25.00
Peter Villanueva	25.00
Jacob Wanner	25.00



Dues-Paying Pensioners

Robert Copeland	Book #4763
Romaine Dudley	Book #2593
Duane Hewitt	Book #5748
Knud Jensen	Book #3940
John Jewett	Book #4291
Tony Jones	Book #4305
Kaj E. Kristensen	Book #3120
Eli Lulich	Book #4062
Stanley Lane	Book #4106
James K. Larsen	Book #4055
John McKeon	Book #6456
Keith Miller	Book #6497
Joseph Napier	Book #2299
John Pedersen	Book #3834
John Perez	Book #3810
Alex Romo	Book #3193
Cliff Rouleau	Book #3144
Ralph Senter	Book #7323
Richard Sexton	Book #6986

Navy trumps whales in Supreme Court decision

The Supreme Court on November 12, lifted restrictions on the Navy's use of sonar in training exercises off the California coast, a defeat for environmental groups who say the sonar can harm whales.

The court, in its first decision of the term, voted 5-4 that the Navy needs to conduct realistic training exercises to respond to potential threats by enemy submarines.

Environmental groups had persuaded lower federal courts in California to impose restrictions on sonar use in submarine-hunting exercises to protect whales and other marine mammals.

The Bush administration argued that there is little evidence of harm to marine life in more than 40 years of exercises off the California coast.

Chief Justice John Roberts wrote the majority opinion, which was joined by Justices Samuel Alito, Anthony Kennedy, Antonin Scalia and Clarence Thomas.

The court did not deal with the merits of the claims put forward by the environmental groups. It said, rather, that federal courts abused their discretion by ordering the Navy to limit sonar use in

some cases and to turn it off altogether in others. The overall public interest tips "strongly in favor of the Navy," Justice Roberts wrote. He said the most serious possible injury would be harm to an unknown number of the marine mammals. "In contrast, forcing the Navy to deploy an inadequately trained anti-submarine force jeopardizes the safety of the fleet," the chief justice wrote.

In dissent, Justice Ruth Bader Ginsburg said that the Navy's own assessment predicted substantial and irreparable harm to marine mammals from the service's exercises. She said that "this likely harm .. cannot be lightly dismissed, even in the face of an alleged risk to the effectiveness of the Navy's 14 training exercises." Justice David Souter joined Ginsburg's dissent.

The exercises have continued since the 9th U.S. Circuit Court of Appeals in San Francisco ruled in February that the Navy must limit sonar use when ships get close to marine mammals. A species of whales called beaked whales is particularly susceptible to harm from sonar, which can cause them to strand themselves onshore.

Building on election success, AFL-CIO Executive Council calls for national economic mobilization

The new Obama administration and the new Congress must urgently address the nation's growing financial crisis and long-term structural economic decline with a wide range of actions, including an immediate and meaningful economic recovery package, an overhaul of our broken health care system, reform of financial regulations and significant investments in infrastructure, clean energy and workforce development.

But, says the AFL-CIO Executive Council in a statement approved on November 13: "Unless we restore the power of working people to bargain with their companies for a better life, economic growth will not be broadly shared and income inequality will not diminish."

Along with outlining the next steps in winning passage of the Employee Free Choice Act, building on the success of the Million-Member Mobilization and the fall elections that put an even larger pro-Employee Free Choice majority in Congress, the council also outlined a four-step program to renew America's and the world's economy.

AFL-CIO President John Sweeney said: "Entrenched corporate interests have signaled they'll do whatever it takes to maintain the status quo. Today, America's working families are sending a signal of our own: We're continuing the largest grassroots mobilization in history to ensure President-elect Obama and the new Congress can deliver the economic change working people so desperately need."

Meeting in Washington, D.C., the council noted that even with the new administration, larger working family majorities and five years of groundwork building support for the Employee Free Choice Act: "Reversing the erosion of workers' rights and the decades-long slide in the percentage of workers covered by collective bargaining will only occur if the labor movement is prepared to escalate its grassroots efforts to win popular support for the Employee Free Choice Act as well as unshakable commitments from elected officials, from the president on down.

"We will need the leadership of every affiliate Union, every state federation, every local labor council and every local Union-as well as the Change To Win Unions and the National Education Association."

Later this month, state Union leaders will map out member mobilization plans for their states, including member education and contact strategies for reaching out to their allies and partners along with their senator and representatives. As the state campaigns get under way in December, the AFL-CIO will dispatch many of its field and communications staff to cover the targeted states and the council urged all AFL-CIO affiliates to release staff for the campaign.

In a move to counter what is expected to be a multimillion-dollar campaign against the Employee Free Choice Act by corporate interests-similar to the efforts during the election-the AFL-CIO will train Union leaders at every level to serve as spokespersons in the campaign.

In addition, working with American Rights at Work, the AFL-CIO will build a media fund to counter the outrageous lies and scare tactics spread by the Center for Union Facts and other corporate mouthpieces.

The council said: "We do not have the luxury of taking a post-election break and waiting until January to gear up. With the full support and engagement of every affiliate Union, every state federation, every local labor council and every local Union, our campaign must begin now."

On the economic front, the council issued a joint declaration with labor leaders from the other G-20 nations outlining a shared labor position addressing the global financial.

The Global Union statement outlined four key elements for global economic recovery: 1) A coordinated recovery plan for the U.S. economy and formation of a plan to coordinate fiscal stimulus internationally; 2) Re-regulate global financial markets as a quid pro quo for government intervention to save banks and insurance companies. The deregulation of capital markets, excessive leverage in money center banks and the proliferation of complex and murky financial products has precipitated this global financial crisis; 3) Establish a new structure of economic governance for the global economy by reshaping the global financial and economic architecture through new negotiations that go beyond the exchange rate regime; and 4) Address the explosion of inequality in income distribution that lies behind the crisis by ensuring a more balanced growth in the global economy between regions, as well as within countries, between capital and labor, between high and low income earners, between rich and poor and between men and women.

Record of SUP Shipping October 2008

	Hdqg.....	Seattle	Wilm	Hono	Total
Bosun	3	1	3	0	7
Maint. Man.....	2	0	0	0	2
Watchman	0	0	1	0	1
A.B. Dayworker	0	0	0	4	4
A.B.	8	10	6	3	27
O.S.	2	0	0	0	2
Standby	10	15	58	14	97
TOTALS	25	26	69	21	141

Justices to review punitive damages claim for seaman denied maintenance and cure

The U.S. Supreme Court November 3 agreed to consider whether an injured seaman may recover punitive damages for an employer's willful failure to pay "maintenance and cure," or compensation and assistance (*Atlantic Sounding Co. v. Townsend, U.S.*, No. 08-214, cert. granted 11/3/08).

The U.S. Court of Appeals for the Eleventh Circuit affirmed a lower court ruling that Edgar Townsend, who alleged that he was injured in a fall on a tugboat, could pursue a claim for punitive damages in his lawsuit under the Jones Act and general maritime law because he alleged that he claimed that Atlantic Sounding Co.'s refusal to pay him maintenance and cure after the injury was willful or arbitrary.

Atlantic asked the Supreme Court to review the Eleventh Circuit ruling, arguing that a split in the federal circuits on the availability of punitive damages in maintenance and cure cases allows the remedies available to U.S. seamen to change "on an almost state-by-state basis."

According to the Eleventh Circuit decision (496 F.3d 1282 (11th Cir. 2007)), Townsend alleged that he injured his shoulder and clavicle when he slipped and landed shoulder first on the steel deck of a tugboat.

Townsend filed a lawsuit under the Jones Act for maintenance and cure, but Atlantic also filed a declaratory judgment action in the U.S. District Court for the Middle District of Florida contending that it was not liable for punitive damages, and moved to strike Townsend's request for punitive damages from the complaint in his lawsuit.

The trial court refused to strike the punitive damages claim from Townsend's complaint, but granted Atlantic's request for permission to take an immediate appeal on the issue to the Eleventh Circuit. Citing its own decision in *Hines v. J.A. LaPorte, Inc.*, 820 F.2d 1187 (11th Cir. 1987), the appeals court affirmed the lower court ruling.

Employer Argued Circuits Are Split on the Issue. In its petition for Supreme Court review, Atlantic said the Eleventh Circuit ruling conflicted with rulings by several other federal appellate courts, as well as the state supreme courts of Texas and Alaska. According to the petition, the Supreme Court identified in *Miles v. Apex Marine Corp.*, 498 U.S. 19, 59 USLW 4001 (1990), a need for courts to defer to Congress and legislation affecting seamen in determining what remedies are available under general maritime law.

"The dominating statutes for seamen," Atlantic argued, are the Jones Act, incorporating the remedies available under the Federal Employers' Liability Act, and the Death on the High Seas Act. None of the statutes allows for the recovery of punitive damages, the company asserted.

Atlantic argued that the Eleventh Circuit "ignores the Miles Uniformity Principle and allows a punitive damage remedy that is not provided by any statute governing a seaman's personal injury or death claim."

Asserting that the Supreme Court "has often stressed the need for uniformity in the interpretation of admiralty law," Atlantic argued that "[t]he Court should take this opportunity to restore uniformity in the application of *Miles* and to ensure that the remedies extended in a maintenance and cure case are consis-

tent, whatever the circuit, whatever the court, throughout the nation."

David W. McCreddie of Lau, Lane, Pieper, Conley & McCreddie, in Tampa, Fla., was counsel of record for Atlantic Sounding.

Seaman Agreed on Need for High Court Ruling. Responding to Atlantic's petition, Townsend argued that he should be able to seek punitive damages in his lawsuit against the tugboat operator but he acknowledged that there has been a division among courts that have considered the issue.

Townsend contended that the concept of maintenance and cure, or providing compensation and assistance to an injured seaman, predates the Jones Act, which he asserted was "meant by Congress to be a cumulative remedy, and not to supplant the common law remedy of maintenance and cure."

Stating that the Jones Act is not inconsistent with the common law doctrine, Townsend argued that the statute does not preempt general maritime law remedies.

Townsend argued that the Longshore and Harbor Workers' Compensation Act provides courts with the best guidance on the availability of punitive damages. The LHWCA does not cover seamen, he acknowledged, but Townsend urged that the policy of the statute is that "[m]aritime employers are to be punished if they fail to provide their workers with medical care so that they can get well and return to the work force."

There has been a split in the circuits concerning the availability of punitive damages, Townsend said, adding that "[t]here is urgency to the Court's resolution of this issue." The tugboat employee asserted that since the announcement of the Eleventh Circuit decision, a number of maritime employers have attempted to secure agreements from seamen specifying the courts in which their injury claims may be considered.

"Without resolution of the conflict between the Circuits," Townsend said, "overreaching by employers will result in forum shopping and inconsistent results in maintenance and cure litigation."

Rod Sullivan of Florida Coastal School of Law, in Jacksonville, Florida, represented Townsend.

MM&P re-elects incumbents

All current International Organization of Masters, Mates and Pilots (MM&P) officials have been re-elected to new, four-year terms: International President Timothy Brown; International Secretary-Treasurer Glen Banks; Gulf Ports Vice President Bob Groh; Pacific Ports Vice President Don Marcus; Atlantic Ports Vice President Rich May; Pilotage Vice President George Quick; and United Inland Group Vice President C. Michael Murray.

The ballots for the 2008 MM&P election were counted at the Maritime Institute of Technology & Graduate Studies (MITAGS), at Linthicum Heights, Maryland, on November 13, by True Ballot Inc., the impartial balloting agency selected by delegates to the 82nd MM&P Convention. Members of the International Ballot Committee who supervised the election were Art Thomas (chair), Dave Goff, Paul Nielsen, Bob Darley and William Wilson.

Saudi Arabian VLCC seized by pirates 450 miles off Kenya coast

In a bold and unprecedented show of prowess, Somali pirates hijacked the ULCC (Very Large Crude Carrier) *Sirus Star* on November 17. The 319,000 deadweight ton vessel is Liberian-flagged but owned by Saudi Arabia based Saudi Aramco. The crew of 25 is comprised of British, Croatian, Polish, Filipino and Saudi nations.

"I'm stunned by the range of it," said Admiral Mike Mullen, the Chairman of the Joint Chiefs of Staff, at a news conference in Washington.

The 1,080-foot long ship was carrying two million barrels of oil, worth approximately \$100 million, according to its owner. As the *West Coast Sailors* went to press, the vessel's owners were reportedly negotiating the pirates ransom demand.

Piracy continues unabated.

On October 29, the 82,849 dwt Marshall Island-flagged bulk carrier *Yasa Neslihan* was hijacked by armed pirates off the Somali coast. The Turkish-crewed vessel was enroute from Canada to China

with a full load of iron ore.

On November 15, the Panama-flagged, Japanese owned chemical carrier *Chemstar Venus* was hijacked off Somalia while enroute from Indonesia to Ukraine.

On November 16, the 25,269 dwt Japanese-owned chemical tanker *Stolt Valor* was released after a \$2.5 million ransom was paid. It was seized in the Gulf of Aden on September 16.

On November 17, pirates seized the Hong Kong-flagged 48,218 dwt bulk carrier *Delight* in the Gulf of Aden. The vessel, owned by the Islamic Republic of Iran Shipping Company, was enroute from China to Bandar Abbas, Iran.

The roll-on/roll-off vessel *Faina*, loaded with munitions, remains in pirate custody after been taken on September 26.

As the *West Coast Sailors* went to press, there have been 83 pirate attacks in Somali water this year, with 33 ships hijacked. Twelve vessels and more than 200 crew members remain in the hands of pirates.

Queen Elizabeth 2's final voyage

Cunard's longest serving cruiseship, *Queen Elizabeth 2*, departed from Southampton, England, for the last time on November 11, on a voyage to Dubai, where it will become a luxury floating hotel.

The ship, which has carried more than 2.5 million passengers over its 39 years in service, was visited on November 11, by the Duke of Edinburgh, who commenced a day of celebrations. At 1100 hours poppies were dropped over the QE2 by de Havilland Beaver and Tiger Moth aircraft to commemorate Remembrance Day (Britain's Veterans' Day), followed by a flyby from an RAF Harrier jump-jet and sail past from two Royal Navy vessels.

Long Beach plans a \$3.3 billion in infrastructure improvements

Port officials in Long Beach are pushing ahead with plans for \$3.3 billion worth of infrastructure improvements to boost port efficiency at the port. The projects are also intended to stave off competition from other East Coast ports, including Vancouver and Prince Rupert in Canada, and the widening of the Panama Canal, which is expected to increase Pacific services to the East Coast.

The plans were outlined by Port of Long Beach commission president James Hankla, who said about \$1 billion was earmarked for the replacement of the 40-year-old Gerald Desmond bridge to improve ship access to the port. State transport officials in California last month approved a \$250 million grant to help finance the bridge replacement while the balance could come from container fees, federal government funds and other regional grants. A further \$1 billion would be spent on rail upgrades including \$560 million to expand the rail yard at Pier B to boost the port's environmental credentials.

Hankla said that \$750 million was due to be invested in the middle harbor terminal, which involved consolidating two irregular-shaped terminals into a rectangular-shaped box terminal over 10 years. The new facility would have an on-dock rail yard and shore-side plug-in power. The Environmental Protection Agency has tentatively backed the middle harbor project, although it recommended commitments to reduce air emissions and introduce a port-wide plan to avoid vessels hitting whales.

The final plan is the \$650 million Pier S project to convert a former oil field into a container terminal with shore-side

power and rail yard. The aim is to help meet an anticipated tripling of box volumes to 42.7 million TEU by 2030 at the Port of Long Beach and Port of Los Angeles. The projects are going ahead despite the global economic crisis. Hankla said as far as imports were concerned, Long Beach was set for its worst year in at least two decades after imports fell 13% in the eight months to August. Conversely, he said the port was also set for its best year to date when it came to exports, which rose 21% between January and August. "The outlook is uncertain," he said.

Hankla said the port was also determined to go ahead with its clean trucks program, which would replace older, more polluting trucks, despite a planned injunction by the Federal Maritime Commission (FMC) to veto part of the plan. Long Beach aims to eliminate all trucks manufactured before 2004 by 2010, and will expand the plan to all pre-2007 trucks by 2012. A \$35 per TEU fee will be used to fund truck replacement loans.

In the FMC injunction, filed in district court in Washington, D.C., the commission is seeking to overturn a ban on independent owner-operator truck drivers and fees on some, but not all, trucked cargo, as well as other limitations on drivers. But the Port of Long Beach said it has imposed no restrictions on drivers, inferring that Los Angeles does. Long Beach port executive director Richard Steinke said: "We are certain the court will understand the importance of our clean trucks program, which allows us to move cargo and at the same time improve air quality for Long Beach and the region."

ESU Office Assignments

For the month of December, Kevin Conroy will be in the Seabrook office and Leo DeCastro will be in the Benicia office.

ESU NEWS

NOVEMBER 2008

Official Publication of the Exxon Seamen's Union

Fleet assignments; 4 day call back

The ESU has received several questions recently regarding the new language in our contract that reduced the former 7-day call back to the new 4-day call back. The ESU bargained hard for this reduction at the recent contract negotiations because it was one of the items that consistently appeared in the minutes of shipboard ESU meetings during the two years prior to our negotiations. Much of the misunderstanding has come from confusing the term "call back date", which is the day an employee can be required to return to work, with the term "call-in date" which is the day a fleet employee is required to call in to Fleet Manning to get information about his or her next fleet assignment.

As a result of our new agreement, members are no longer required to return to duty aboard a vessel until they are within four days of completion of their paid leave. Previously, it had been seven days. Members are still required however, to call in to Fleet Manning up to eight days before the end of their leave to get information about their upcoming assignment. This is the same language as is in our old contract and has not changed. The exact date a member is to call in will still be provided in writing to the employee prior to the end of his or her sea tour. It is usually given to the member with his or her travel arrangements when leaving the vessel in the form of an email from Fleet Manning.

Article VII on pages 23 through 27 of our new contract books (22 through 26 if you still have an old one) contains the language governing fleet assignments and related issues. Section 3 on page 24 (23 in old book) is titled Notice for Assignment. This is the section, which requires Fleet Manning to give unlicensed employees the advance call-in date in writing prior to the end of their sea tour. It states that, "Insofar as is practical and taking into consideration holidays and weekends, employees shall not be required to telephone for assignment earlier than eight (8) days prior to the scheduled end of paid leave" and "...the employee shall be required to phone the office only one (1) time prior to the end of a paid leave period."

While Fleet Manning has usually been pretty good at giving members the correct call-in date, the ESU would like to remind everyone to always double check the date when they get it and promptly report any mistake to either the Captain or Fleet Manning so it can be corrected. Furthermore, none of the language prohibits any member from calling in or emailing Fleet Manning early to get an idea of where they might be assigned next. Although this is certainly not required it is often a good idea to do so.

All members are reminded that it is their responsibility to be ready to go back to work up to four days before the end of their paid leave. Remember, there is a fellow shipmate and union member who is counting on you to be ready to relieve him or her on time. We are all aware of instances where members have waited until their paid leave was nearly up before informing Fleet Manning of an upcoming important family event such as a wedding or graduation. Fleet Manning is not required to excuse anyone from returning to work on time to attend these types of events even though they have a good track record of working with people to do so. It is extremely important for members to contact Fleet Manning as early as possible to request help in being free for these types of family events.

Early TWIC compliance begins at many ports soon

In an email received from SeaRiver Fleet Services Manager, Mr. Ron Floyd on November 8, the ESU learned that the Valdez Marine Terminal in Alaska has already begun early TWIC compliance for its employees at that facility. At present, a merchant seaman whose ship is alongside at Valdez is still being allowed to transit unescorted to and from the vessel by showing only his or her Merchant Mariners Document but this will change on February 12, 2009, when the Valdez Marine Terminal and all ports in Prince William Sound implement early compliance with the TWIC program. After that date everyone entering the Valdez terminal must be in possession of a TWIC in order to have unescorted access within the facility. Other facilities throughout the country are also beginning to implement early TWIC compliance. One such area is the Port of Cape Fear River where the Wilmington terminal is located. Early compliance is scheduled to begin there on November 28. The S/R *Wilmington* frequently calls into Wilmington, so if crewmembers want to be able to go ashore there without the hassle of having to be escorted, a TWIC will be

needed by November 28. The Port of Port Arthur-Beaumont was also scheduled to begin on November 28, but due to disruption of enrollment by Hurricane Ike implementation of TWIC compliance has been pushed back to April 14, at docks in that area including the ExxonMobil refinery in Beaumont. Early compliance starts on February 28, in the Ports of Puget Sound, Portland Oregon and San Francisco Bay. New York begins March 23, and Houston/Galveston and Los Angeles/Long Beach on the final day; April 14. After April 15, 2009, full TWIC compliance will be in effect at all ports nationwide and at all U.S.-controlled facilities in Puerto Rico and Guam.

The ESU was informed by Fleet Manning that as of October 23, there were still 15 unlicensed individuals who had not yet obtained their TWIC. That may not sound like many but with only 156 members, that represents about 10% of the total. The ESU cannot stress strongly enough the importance of obtaining a TWIC as soon as possible. With early implementation beginning soon it won't be long before those without one will start to be denied unescorted shore leave.

Meeting with AMEU Negotiating Committee



Pictured at a meeting on November 8, 2008 at the Crowne Plaza North Hotel in Houston, Texas, from left are: AMEU Deck Department Delegate Chris Tubbs; ESU President Kevin Conroy; AMEU Chairman John Pitts; AMEU Secretary-Treasurer Robert Paulo; AMEU Steward Department Delegate, Yvette Faulkner; AMEU Vice-Chairman Doug Palys and AMEU Engine Department Delegate, Dave Clements.

On Saturday, November 8, at the invitation of Mr. John Pitts the president of the Atlantic Maritime Employees Union (AMEU), ESU President Kevin Conroy attended a meeting with the AMEU contract negotiating committee at the Crowne Plaza West hotel in Houston, Texas (see accompanying photo). The AMEU represents the unlicensed employees of ConocoPhillips Marine, which was formerly known as Polar Tankers and is a wholly owned subsidiary of ConocoPhillips Corporation. AMEU's relationship with ConocoPhillips Marine and ConocoPhillips Corporation is somewhat similar to the relationship the ESU has with SeaRiver Maritime and ExxonMobil Corporation.

At the time of the meeting, the AMEU was in the process of negotiating their next contract with Conoco. They had met with the company several days earlier in the week and had three days to meet amongst themselves before continuing their bargaining the following week. As is customary in contract negotiations the details of the negotiations are kept confidential until they are complete and so we cannot comment on the progress or issues involved now, but by the time this article goes to press it is expected that an agreement will have been reached. The current AMEU contract expires in the spring of 2009.

The AMEU was interested in how the ESU conducted our recent negotiations and also explained their negotiation procedures to your president. From the be-

ginning to the end the meeting was very friendly and cordial with many questions being asked and answered by everyone involved. Among other things, the AMEU members were concerned with the fact that their present negotiations were not being conducted with the same group of people from the Marine Division as they were used to. Instead, ConocoPhillips has brought in a lead negotiator from the corporate Human Relations Department, who is not familiar with the past history of AMEU contracts and issues.

Besides the more specific subject of the ongoing negotiations many other items of mutual interest were discussed. President Conroy spoke about the advantages of our affiliation with the Sailors' Union of the Pacific and how it benefited both organizations and strengthened our bargaining position. Training, transportation and union administration items were also discussed.

By the time it ended all agreed the meeting had been very informative and productive and that the relationship between our two unions had been considerably strengthened. We further agreed that we would continue to share our thoughts, ideas and information in the future.

On behalf of the entire ESU membership President Conroy sincerely thanks the AMEU for its cordial invitation and hospitality and looks forward to further interaction and cooperation between our two organizations in the future.

Savings Plan interest rate lowered

On November 4, 2009 the ExxonMobil Savings Plan Trustee announced that the loan interest rate would decrease to 4.5% per year effective November 19, 2008, superseding the current rate of 5.0%. Loans requested prior to 12:00 midnight Eastern Time Monday, November 17, 2008 will be processed using the 5.0% loan interest rate. Loans requested on or after 12:00 midnight Eastern Time Monday, November 17, 2008 will be processed using the 4.5% loan interest rate. The interest rate on existing loans remains unchanged. For further information or questions contact Mr. Chris Matteson in the Houston office at (713) 656-2746.

ESU News

Returning to work from sick leave and the functional capacity test

As many of our members already know it has now become a common practice for employees coming off sick leave to be required to undergo what is known as a functional capacity test. Technically known as a functional capacity examination, this test is usually very strenuous and much more difficult than most members are lead to believe. The union has found it disturbing and has raised objections with the company that our members who have been required to take this examination have often not been given sufficient information regarding the level of difficulty of the examination or sufficient lead time to get prepared to take the test. Typically, SeaRiver Medical Department has contracted with outside occupational health and rehabilitation centers to do these tests but have most often used a company called the Fontana Center for Work Rehabilitation. The Fontana Center has locations in Lafayette, Louisiana and Houston, Texas.

According to our contract in Article IV Section 12, the company has the right to send employees to medical examinations and the ESU is in agreement that it is necessary for our members to be in good enough physical shape to perform their job duties upon returning to work from sick leave. We do however, find it both unfair and disrespectful to our members to be sent to these tests without the Medical Department fully informing them sufficiently in advance that the test can be very difficult and that it can last for a long period of time.

The ESU will continue to impress upon management the need to fully inform and explain the details and duration of functional capacity examinations to our members. We also highly recommend to anyone who is on sick leave to ask Medical Department if they intend on sending them to the test and, if so, to then get together with your doctor and physical therapist to ensure that you are properly prepared for it.

Hurricane assistance program ends 12/31/08

Following Hurricanes Gustav and Ike, SeaRiver announced a plan to help those employees who were severely impacted by the storms. This program will be discontinued after December 31. The Company has offered to advance up to two months salary (up to a maximum of \$15,000) to be repaid by payroll deduction for up to 24 months with no interest. A promissory note available from the office explains the eligibility requirements and must be executed prior to disbursement of any funds. The loan is tax exempt if you attest in writing, using the promissory note, that the proceeds of the loan will be used to pay personal family expenses incurred as a result of the natural disasters, including property losses or living expenses, but excluding any expenses reimbursed through insurance. For more information contact either Fleet Manning or Chris Matteson in Human Resources at 713-656-2746.

Ship reports

S/R American Progress

An ESU Board officer visited the vessel on November 18, at ExxonMobil Beaumont. Regular Ship Rep. Rudy Benavides is still out on sick leave but Deck Trustee Pat Campbell is onboard handling ESU matters in the mean time. Thanks to Mike Harrison for filling in while he was onboard. Crewmembers have refocused on safety after the recent unfortunate injury to a shipmate. Pat says everything is running well as the ship continues in her Beaumont to Fort Lauderdale run.

S/R Baytown

AB Paul Clow is doing a good job filling in for Joe Bernavich as Ship Rep. Paul has been staying in touch with the ESU via email and reports no problems. The *Baytown's* schedule remains unclear at press time. After taking a load from Baton Rouge to Fort Lauderdale she is scheduled to return to Baton Rouge and then Galena Park near Houston. An ESU Board officer will visit her once she gets into Galena Park. Talk of sending her to the West Coast remains but no solid plans as of yet.

Kodiak

The *Kodiak* continues in her Valdez to Puget Sound trade. Board member and Engine Trustee Will Ackley is onboard and keeps in touch with the ESU regularly. Will reports the ship's email system is working well, great crew aboard and no beefs.

S/R Long Beach

An ESU Board officer visited the *Long Beach* at the Valero Dock in

Benicia on November 6. Earl Doucet continues to fill in for regular Ship Representative Wayne Dymont and reports everything is running very smoothly. The vessel is currently loaded and headed for LA/Long Beach. There has been talk of sending her to Hawaii next trip, but this has not been confirmed.

Sierra

The *Sierra* is heading to Singapore for the shipyard and is due in around November 21. Regular Ship Rep. Thor Floreen is onboard and reports the crew working hard cleaning ballast tanks. Shortly before leaving for Singapore there was an issue over meal money owed to a seaman going home. It never fails to amaze us how one or two captains seem bent on protecting the Exxon billions by skimping on OT and meal monies for their crews. Many problems could be avoided if they simply followed the example of the more experienced Masters. The issue was resolved with a couple phone calls.

S/R Wilmington

The *Wilmington* continues in her Gulf Coast to East Coast trade. She is due into ExxonMobil Baytown November 20 through 22. A Board officer will make the ship when she gets in. Members will be reminded that early TWIC compliance begins at Cape Fear River ports on November 28 (see related article this edition). This will include the Port of Wilmington, NC, where the *Willy* often calls. The ESU is checking into rumors that trips to Puerto Rico will end next year.

ESU co-accepts ExxonMobil Presidents Award



ESU Vice President John Straley (left) with SeaRiver 3rd Mate Rebekah Martin (center) accept the ExxonMobil Presidents Award for Safety from ExxonMobil President for Refining and Supply Mr. Sherman Glass at an awards ceremony in Houston, on October 31, 2008.

At a ceremony held at the Petroleum Club in the ExxonMobil building in downtown Houston on October 31, 2008 ESU Vice President John Straley accepted the Exxon Mobil Presidents Award for Safety from Mr. Sherman Glass, President of ExxonMobil Refining and Supply. The award, which was presented to both SeaRiver and ExxonMobil Pipeline Company was in recognition of the outstanding performance in the field of safety demonstrated by both organizations in 2007 and for continuing to maintain lost time injury-free performance for over ten million man hours.

Mr. Denny Houston who sits on the SeaRiver board of directors and is the direct link between SeaRiver Maritime and its parent company, ExxonMobil Corporation, was also in attendance. Mr. Houston is Executive Vice President for Refining and Transportation and reports directly to Mr. Glass. ESU Vice President Straley along with Ocean Fleet Third Mate, Ms. Rebekah Martin accepted the safety award on behalf of the ESU, all ocean fleet employees and SeaRiver Maritime as a whole. Also in attendance were SeaRiver President Mr. Will Jenkins and Vice President for Operations Mr. Stu McRobbie.

It was with pride that the ESU helped accept the award as it recognizes the great contributions of all the unlicensed members who, day in and day out, work efficiently in the often perilous maritime environment while at the same time maintaining an ever improving record and consciousness of safety and environmental stewardship. It further demonstrates the value of teamwork and cooperation and the good things that come from them.

Once again this honor underscores what the ESU has been saying all along, that our members are performing at the very highest level of professionalism within the industry. If it were not for the exceptional standard of performance at which the rank and file consistently operate these prestigious recognitions of excellence would not be attainable. Congratulations to everyone.

Butch Berrios and Joseph Villarta promoted

ESU members Humberto "Butch" Berrios and Joseph Villarta were promoted to Fleet Chef and Able Seaman respectively on November 1, 2008.

The promotions of these two members were required as a result of vacancies, which opened up on both the Fleet Chef and AB seniority lists by the recent retirements of Fleet Chef Brenda Johnson and Able Seaman Tom Thompson. Both Butch and Joe have demonstrated their ability to competently perform the duties of their new positions during previous step-up opportunities.

These promotions were contractually mandatory to satisfy the minimum 2.0 manning level that is required in each rating by our labor agreement.

A review of the current rating seniority lists indicate that these promotions satisfy the lowest minimum numbers required for the Fleet Chef and AB ratings, and any further decrease in the number of members on those lists will require more promotions to maintain the 2.0 manning factor. The ESU membership congratulates Butch and Joe on their well-deserved advancements.

EXXON SEAMEN'S UNION

Founded March 28, 1941

Affiliated with the Sailors' Union of the Pacific

1320 5th Street, Suite A
Seabrook, TX 77586
Tel (281) 474-2430
Fax (281) 474-2463
E-Mail: esusea@sbcglobal.net

P.O. Box 792
Benicia, CA 94510
Tel (707) 746-5713
Fax (707) 746-7859
E-Mail: esuben@sbcglobal.net

President Kevin Conroy

Vice President John Straley
Secretary/Treasurer Leo DeCastro
Recording Secretary Thomas Thompson III

Deck Trustee Pat Campbell
Engine Trustee William Ackley
Steward Trustee Kurt Kreick

ERISA 404(c) Notice

The SUP 401(k) Plan and SUP Money Purchase Pension Plan (collectively referred to as the "Plans") are intended to comply with Section 404(c) of the Employee Retirement Security Act of 1974 (ERISA). Section 404(c) provides special rules for plans, such as ours, which permit you to exercise investment control over your account. If the Plans comply with Section 404(c), you are solely responsible for poor investment performance or loss resulting directly from your investment decisions.

Under Section 404(c), you must be provided, or have the opportunity to obtain, sufficient information to make an informed decision with regard to the Plans' investment options. Information that must be provided to you includes a description of each investment alternative, including a general description of the investment objectives and risk and return characteristics. You will be receiving a copy of this Notice and descriptions of each investment alternative in the mail. However, if you are reading this Notice in the West Coast Sailors or aboard ship, you may request this information by calling 1-800-547-4334 or emailing MasterPlan@dpanet.com.

You also will be provided at no charge the following information upon your request: 1) Copies of prospectuses, financial statements and reports, and other materials related to the investment options to the extent the information is provided to the Plans; 2) For each investment option, a description of annual operating expenses, expressed as a percentage of average net assets. This information is available in each fund's prospectus; 3) For each investment option, the value of shares in each investment and information regarding its past and current investment performance. This information is available in each fund's prospectus; and 4) Your account balance.

You should carefully review all information provided to you by the Plans (and any other information from any other sources that you consider important), and make sure that your investment choices are appropriate for your individual needs. If you do not make an investment election, your account will be invested in the Plans' default investment fund. A notice of the default fund has been provided to you.

To request the fund information listed above, please call 1-800-547-4334 or email MasterPlan@dpanet.com. You may also request a copy in writing by sending a written request to: MasterPlan Services, 1800 SW First Avenue, Suite 300, Portland, OR 97201. If you have any questions, please call the SUP MPPP and 401(k) Administrator at 1-800-796-8003.

SUMMARY ANNUAL REPORT FOR SUP MONEY PURCHASE PENSION PLAN

This is a summary of the annual report for SUP Money Purchase Pension Plan EIN 94-3134523, Plan Number 001, for the year ended December 31, 2007. The annual report has been filed with the Department of Labor, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

Basic Financial Statement

Benefits under the plan are provided by a trust fund. Plan expenses were \$2,449,741. These expenses included \$211,206 in administrative expenses and \$2,238,535 in benefits paid to participants and beneficiaries. A total of 892 persons were participants in or beneficiaries of the plan at the end of the plan year, although not all of these persons had yet earned the right to receive benefits.

The value of plan assets, after subtracting liabilities of the plan, was \$21,462,881 as of December 31, 2007, compared to \$21,595,781 as of January 1, 2007. During the plan year the plan experienced a decrease in its net assets of \$132,900. This decrease includes unrealized appreciation or depreciation in the value of plan assets that is, the difference between the value of the Plan's assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year. The plan had total income of \$2,316,841, including employer contributions of \$1,444,207, earnings from investments of \$703,700 and other income of \$168,934.

Minimum Funding Standards

Enough money was contributed to the plan to keep it funded in accordance with the minimum funding standards of ERISA.

Your Rights to Additional Information

You have the right to receive a copy of the full annual report, or any part thereof, on request. The items listed are included in that report: 1) An accountant's report; 2) Financial information and information on payments to service providers; 3) Assets held for investment; and 4) Information regarding any common or collective trusts in which the plan participates.

To obtain a copy of the full annual report, or any part thereof, write or call the office of SUP Welfare Plan Inc., who is the plan administrator, 730 Harrison Street, Suite 415, San Francisco, CA 94107, 415-778-5490. The charge to cover copying costs will be \$3.00 for the full annual report, or \$0.25 per page for any part thereof.

You also have the right to receive from the plan administrator, on request and at no charge, a statement of the assets and liabilities of the plan and accompanying notes, or a statement of income and expenses of the plan and accompanying notes, or both. If you request a copy of the full annual report from the plan administrator, these two statements and accompanying notes will be included as part of that report. The charge to cover copying costs given above does not include a charge for the copying of these portions of the report because these portions are furnished without charge.

You also have the legally protected right to examine the annual report at the main office of the plan, 730 Harrison Street, Suite 415, San Francisco, CA 94107 and at the U.S. Department of Labor in Washington, DC, or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: Public Disclosure Room, Room N1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, DC 20210.

Welfare Notes

November 2008

Mailings

Active Participants have been sent a notice that Active Plan coverage is creditable coverage and Pensioners have been sent a notice that the Pensioners' Annual Allowance is non-creditable coverage. These mailings are informational. Please keep the notices for future reference. If you did not receive a notice, please contact the Plan office.

Another notice will be sent to Pensioners requesting a copy of the Medicare letter indicating the amount being paid for the Medicare Part B Premium. Medicare will be sending this letter entitled "Your New Benefit Amount" in December or January. If you and your spouse are receiving reimbursement for Medicare Part B on your pension check, please send the SUP Welfare Plan office a copy of your letter and your wife's letter.

Pensioners' Annual Allowance

The Pensioner's Annual Allowance allows for reimbursement of covered expenses in the fiscal year that runs from August 1 through July 31 of the following year.

The monthly Medicare Part B Premium of \$96.40 is reimbursed to Pensioners on the pension check. This amount times 12 months is then deducted from the Pensioners' Annual Allowance. If the Part B Premium is also being reimbursed for a spouse that amount is also deducted from the allowance. These deductions are applied to the total allowance at the beginning of the fiscal year.

When the remaining balance in the Pensioners' Allowance reaches \$4,000.00 or less the following category maximums are applied to the bills submitted for reimbursement. The maximums are:

- \$500.00 for medical, dental, and vision co-payments (example \$250.00 medical, \$100.00 dental, & \$150.00 vision would total the \$500.00 maximum).
- \$1,000.00 for prescription drugs
- \$2,500.00 for premiums (examples Medicare Part D Prescription Drug Premium, supplemental plan premiums such as AARP or Kaiser supplemental plans.)

Michelle Chang, Administrator mcsupsiupd@sbcglobal.net

Patty Martin martinpatty59@sbcglobal.net

Virginia Briggs Claims vbriggs80@sbcglobal.net

Michael Jacyna Eligibility mjacyna67@sbcglobal.net

Training Representative Berit Eriksson 415-957-1816

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

Fax: 415-778-5495

SIU-PD Pension 415-764-4987

SIU-PD Supplemental Benefits 415-764-4991

SUMMARY ANNUAL REPORT FOR SUP 401(k) PLAN

This is a summary of the annual report for SUP 401(k) Plan, EIN 94-3134523, Plan No. 002, for the year ended December 31, 2007. The annual report has been filed with the Department of Labor, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

Basic Financial Statement

Benefits under the plan are provided by a trust (benefits are provided in whole from trust funds). Plan expenses were \$398,958. These expenses included \$142,852 in administrative expenses, and \$256,106 in benefits paid to participants and beneficiaries. A total of 472 persons were participants in or beneficiaries of the plan at the end of the plan year; all of these persons have earned the right to receive benefits.

The value of plan assets, after subtracting liabilities of the plan, was \$3,863,572 as of December 31, 2007 compared to \$3,533,754, as of January 1, 2007. During the plan year, the plan experienced an increase in its net assets of \$329,818. This increase includes unrealized appreciation or depreciation in the value of plan assets; that is, the difference between the value of the plan's assets at the end of the year and the value of the assets at the beginning of the year, or the cost of assets acquired during the year. The plan had total income of \$728,776. This income included employer contributions of \$80,501, employee contributions of \$510,917, and earnings from investments of \$137,358.

Your Rights to Additional Information

You have the right to receive a copy of the full annual report, or any part thereof, on request. The items listed below are included in that report: 1) An accountant's report; 2) Assets held for investment; 3) Financial information and information on payments to service providers; 4) Information regarding any common or collective trusts, pooled separate accounts, master trusts or 103-12 investment entities in which the plan participates; and 5) Delinquent participant contributions.

To obtain a copy of the full annual report, or any part thereof, write or call the office of SUP 401(k) Plan, Inc., at 730 Harrison Street, Suite 415, San Francisco, California 94107, (415) 778-5490. The charge to cover copying costs will be \$3.25 for the full annual report, or \$.25 per page for any part thereof.

You also have the right to receive from the plan administrator, on request and at no charge, a statement of the assets and liabilities of the plan and the accompanying notes, or a statement of income and expenses of the plan and accompanying notes, or both. If you request a copy of the full annual report from the plan administrator, these two statements and the accompanying notes will be included as part of that report. The charge to cover copying costs does not include a charge for the copying of these portions of the report because these portions are furnished without charge.

You also have the legally protected right to examine the annual report at the main office of the plan at 730 Harrison Street, Suite 415, San Francisco, California 94107, and at the U.S. Department of Labor in Washington, D.C., or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: Public Disclosure Room, Room N1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D. C. 20210.

Transportation Worker Identification Credential (TWIC) Enrollment Centers as of November 2008

You can pre-enroll online at www.tsa.gov/twic or call 1-866-347-8942. The enrollment process requires applicants to visit an enrollment center to provide biographic information, sign a disclosure form, provide the neces-

sary identity verification documents, provide a complete set of fingerprints, sit for a digital photograph and pay the enrollment fee. For a complete list of disqualifying crimes and offenses, visit www.tsa.gov/twic.

<p>Alabama Tenn. Valley Trng. Ctr. 115 Woodall Rd. Ste. 105 Decatur 250 North Water St. Mobile Alaska 619 E Ship Creek Ave. Anchorage Native Village of Eyak 110 Nicholoff Way Cordova 3200 Hospital Dr. #202 Juneau 50097 Kenai Spur Nikiski 223 Harbor Way Petersburg 501 E. Bremner St. Valdez American Samoa Clarion Tradewinds Hotel Main Road, Ottoville Pago Pago Arkansas 2005 E 17th St. Little Rock California 2050 Park Road Benicia 301 E. Ocean Blvd. Ste. 500 Long Beach 2000 Marina Vista Dr. Martinez 1830 Embarcadero Ave. #104 Oakland Oakland Maritime Support Svcs. 11 Burma Rd. Oakland 1251 N. Rice Ave Oxnard 13201 San Pablo Ave. #300 Richmond 1025 W. Laurel St. Ste. 103 San Diego 1900 Bendixsen St. Bldg 12 Samoa 500 Sansome St. Ste. 202 San Francisco 1001 New Dock St. San Pedro 17 Fyffe St. Stockton 1401 Halyard Dr. West Sacramento Connecticut 850 Grand Ave. New Haven 75 Crystal Ave. New London 300 Long Beach Blvd #2A Stratford Delaware 102 Quigley Blvd. New Castle 1 Hausel Road Wilmington</p>	<p>Florida Port Everglades Badging Ofc. 1030 Taylor Rd. Dania Beach 955 Tallyrand Ave. Jacksonville Habana Plaza (rear) 3125 Riviera Dr. Key West 975 North America Way Miami Manatee County, Port Auth. 13604 Reeder Rd. Palmetto 707 Mullet Road, Stes. 117/118 Port Canaveral 5323 W. Hwy 98 Suites 119,120 Panama City 2051 Dr. Martin King, Jr. Blvd. Ste. 303 Riviera Beach 2604 E. 7th Ave. Tampa Georgia Georgia Power Plant McManus 1 Crispin Island Dr. Brunswick 5214 Augusta Rd. Garden City Guam Hose D. Leon Guerrero Commercial Port #201 1026 Tabras Highway Piti Hawai'i Kahului Shopping Center 65 W. Kaahumanu Ave. Unit 14 Kahului, Maui 970 Kele St., Ste. 102 Lihue, Kauai Hilo Hawaiian Hotel 71 Banyan Dr. Hilo 1347 Kapiolani Blvd. Ste. 204 Honolulu Illinois 8741 South Greenwood Dixon Building Chicago 111 W. Washington St. Ste. 346 East Peoria 1635 W. First St. Granite City Three Rivers Safety Council 1615 W. Jefferson St. Ste. TWIC Joliet Indiana 4849 University Dr. Evansville 200 Russell St. Ste. 110 Hammond 3602 Northgate Ct. Ste. 37C New Albany Kansas Commerce Plaza 1, 7th Flr. 7300 West 110th St. Overland Park</p>	<p>Kentucky 322 Harrison Ave. Paducah Louisiana Safety Council for Louisiana Capital Area, 8180 Siegen Ln. Baton Rouge 1300 N. Bertrand Dr. #306 Lafayette 1340 W. Tunnel Blvd. Ste. 550 Houma 700 W. McNeese St. Lake Charles LaPlace Shopping Center 1933 West Airline Hwy. LaPlace 512 Roderick St. Morgan City Port Fourchon Harbor Police 108 A.O. Rappelet Road Port Fourchon 170 James Dr. E. Ste. 104 St. Rose Maine Bangor 236 Oxford St. Ste. 12 Portland Maryland 2200 Broening Hwy., Ste. 220 Baltimore 213 W. Main St. Ste. 204C Salisbury 3225 Old Washington Rd. Ste. 2106 Waldorf Massachusetts 28 Damrell St. Ste. 104 Boston 300 Tremont Street, Unit #5 Carver Michigan 115 N. First Ave, Ste. 101 Alpena 200 W. Erie St., Ste. 1 Calcite Delray Mechanical 667 S. Post St. Detroit 906 Ludington St., Ste. 1 Escanaba 863 North Pine Rd. Essexville 430 S. Water St. Marine City Old City Hall Bldg. 220 W Washington St. Ste. 120 Marquette 800 E. Ellis Rd. Ste. 122 Norton Shores Amer. Inn of Silver City 120 Lincoln Ave. Ontonagon 115 N. First Ave. Presque Isle 511 Ashmun St. Sault Ste. Marie 396 N. State St. St. Ignace 1020 Hastings St., Ste. 105 Traverse City</p>	<p>Minnesota 1310 Port Terminal Rd. Duluth-Superior Holiday Inn, 1500 Hwy. 71 International Falls 34 13th Ave., NE Minneapolis 2161 University Ave. St. Paul Mississippi 800 Dr. Martin Luther King, Jr. Blvd. Greenville 1223 30th Ave. Gulfport Ergon Refining 227 Industrial Dr. Vicksburg New Hampshire 30 Mirona Rd. Portsmouth New Jersey 2500 S. Broadway, Ste P-6 Camden 33 Wood Ave. S, Ste. 665 Iselin Quality Inn Conf. Center 531 Route 38 W Maple Shade 89 Beuning Street, Ste. G South Hackensack 400 Grove Rd. Thorofare New York 102 Smith Boulevard Albany 2680 Grand Island Blvd. Ste. 9 Grand Island Sheraton Long Island 110 Motor Parkway Hauppauge 2752 Middle Country Rd. Lake Grove 178 W. Hoffman Ave. Lindenhurst Whitehall Ferry Terminal 4 South St., Room 210 New York One East 2nd St. Oswego 800 West Ave., Ste. 323 Rochester 700 Hummel Ave. Southold Howland Hook Marine Term. 241 Western Ave. Staten Island North Carolina 311 Atlantic Beach Causeway Atlantic Beach 5704 Oleander Dr. Ste. 107 Wilmington Ohio 4830 State Rd. Ashtabula 8044 Montgomery Rd. Stes. 754/755 Cincinnati 3100 E 45th St., Ste. 226 Cleveland</p>	<p>401 Broadway Ave. #D, Ofc. B Lorain 444 W. Perkins Ave. Ste. 102 Sandusky Star Center One Maritime Pl. 720 Water St. Toledo Oklahoma 5350 Cimarron Rd. Catoosa Oregon 400 Virginia Ave. Ste. 112 Coos Bay 7025 North Lombard Ste. 100 Portland Pennsylvania 50 West Powhattan Ave. Chester 1723 Woodbourne Rd. Levittown 601 Upland Ave. Ste. 120D Marcus Hook Philadelphia Regional Port 3460 N Delaware Ave. Philadelphia 701 North Point Dr. Ste. 104 Pittsburgh Puerto Rico Prima Piso, Salon de Conf. Ave., Santiago de los Caballeros final, Edificio Turismo Playa Ponce Navy Frontier Base Ste. 1 408 Ave. Fernandez Juncos San Juan Rhode Island 17 Virginia Ave. Ste. 105 Providence Saipan CTSA Plaza Beach Road, Garapan South Carolina 4600 Goer Dr., Ste. 112 North Charleston Tennessee 5959 Shallowford Rd. Ste. 427 Chattanooga 3865 Viscount Ave. Ste. 2 Memphis 3200 West End Ave. Ste. 510 Nashville Texas Ford Conv. Ctr Tyler Room 5155 IH-10 So. Beaumont 1000 Foust Rd. Brownsville 7433 Leopard St. Corpus Christi 6000 Broadway Ste. 103 Galveston</p>	<p>West Gulf Maritime Assoc. 1717 Turning Basin Houston Gulf Gate, Ste. 314 2900 Woodridge Dr. Houston 621 W. Main St. LaPorte Brazos Mall, Ste. 1039 100 Hwy 322 West Lake Jackson 3800 Highway 365 Ste. 123 Port Arthur 411 West Main St. Port LaVaca 301 Highway 146 N. Texas City 1750 FM 1432 Victoria Vermont 145 Pine Haven Shores Rd. Shelburne Virginia 814 Greenbrier Cir. Ste. F Chesapeake 11815 Fountain Way Ste. 300 Rm 359 Newport News Washington 8327 Summit Park Rd., Ste. D Anacortes Port of Everett Marina Marina Conf. Ctr. 404 14th St. Everett Red Lion Hotel 510 Kelso Dr. Kelso Read Lion Hotel Rm 2110 2515 N. 20th Ave. Pasco Fraternal Order of Eagles AERIE #1 205 Carson Ave. S. Seattle 5009 Pacific Hwy. E Ste. 17 Fife Business Park Tacoma 33rd Place Bldg. Ste. 107 3305 Main St. Vancouver West Virginia Tri-State Fire Academy 4200 Ohio River Rd. Huntington Wisconsin 425 South Military Ave. Green Bay 3073 South Chase Ave. Ste. 620 Bldg. 28 Fl. 1 Milwaukee Virgin Islands 8000 Niksy Ctr, #202a Charlotte Amalie Renaissance Park Estate Anguilla Kingshill</p>
--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

United Auto Workers asserts failure to aid industry will cost millions of jobs

The U.S. auto industry 'cannot succeed in today's unstable economic environment without immediate help from the federal government. And the costs of failure are unacceptable,' United Auto Workers (UAW) President Ron Gettelfinger said in a *Washington Post* opinion piece on November 14.

If even one U.S. automaker fails, he warned, it would cost the entire country millions of lost jobs and hundreds of billions of dollars in lost sales and revenue.

The auto industry crisis, exacerbated by stalled consumer spending and lack of credit, affects much more than the Big Three automakers and the 240,000 people who work for them, Gettelfinger said. It also endangers thousands of car dealerships, small and medium-size businesses that provide parts and services to the auto giants and more than a million retirees and dependents who receive pension and health care benefits from Chrysler, Ford and General Motors.

According to Gettelfinger: "If these companies are unable to meet their obligations, the human toll on retirees and their families will be devastating. It's also possible that the failure of these companies could impose severe costs on the federal pension guaranty program and public health care programs."

Gettelfinger also took exception to "Detroit-bashing." "It is not the actions of our members that have caused the crisis in today's auto industry; the crisis is being driven by economic factors that have nothing to do with labor costs or factory performance. To the contrary, our contracts have put our employers in a position to compete. The reality of today's auto industry is that union-made vehicles are winning quality awards and that union-represented factory workers are winning productivity awards."

Recent auto industry labor negotiations are reducing or eliminating cost differences between union and nonunion car makers, Gettelfinger said. "The various demands for cuts in the wages and benefits of active and retired autoworkers as a condition of federal assistance are curious-and extremely unbalanced. To my knowledge, no one has proposed cutting the compensation of everyday active or retired bankers, bond traders and office or building personnel who work at AIG, Bear Stearns or the numerous banks that have received billions in federal aid. Why is it only autoworkers who are singled out for this dubious honor?"

Gettelfinger said bipartisan efforts under way in Congress to aid U.S. automakers are "a good deal for U.S. taxpayers-because the alternative is lost jobs, closed businesses and shattered communities, which would impose severe human and economic costs on all of us for many years to come."

Union votes helped propel Obama, working family candidates to victory

Here's how Union members made the difference in the November 4 big win.

- Union voters supported President-elect Barack Obama 67 percent to 30 percent over Senator John McCain. In the top-tier battleground states the difference was even more stark, with Union members going for Obama 69 to 28—a 41-point margin.
- While McCain won among voters ages 65 and up, active and retired Union members older than 65 went for Obama by a 46-point margin.
- While McCain won among veterans, Union veterans went for Obama by a 25-point margin.
- 60 percent of Union members said the economy was a top issue.
- Union members got a lot of contact from their Unions about the election, with more than 80 percent receiving Union mail, more than 80 percent receiving Union publications, 59 percent getting five phone calls and 32 percent getting worksite fliers.
- 75 percent of Union members say Obama's victory gives him a mandate to make major change; 81 percent support the Employee Free Choice Act.
- 21 percent of voters were in a Union or Union household.

With 52 percent and more than 62 million votes, Obama has more than surpassed Bush's 2004 win. His seven-point win over McCain is a decisive victory for pro-working family policies.

In Union-heavy Midwestern states, where Bush had come close and McCain campaigned hard, the efforts of Union volunteers helped put them solidly in Obama's column. Obama won by 13 points in Wisconsin, 16 points in Michigan, 10 points in Minnesota and 11 points in Pennsylvania.

As the *West Coast Sailors* went to press, it looks like there will be at least five new pro-worker senators, and many AFL-CIO-endorsed candidates will be headed to the U.S. House as well. While Union members didn't win every race they targeted, the breadth and national scale of working families' victory is striking.

Here's how this historic win took place. More than 250,000 Union volunteers devoted their time and energy to reaching out to their fellow Union members-educating them on issues, informing them about candidates and getting out the vote. Some 10 million door knocks, 70 million phone calls, 27 million worksite fliers and 57 million Union mail pieces made the difference in races from the White House to state legislatures.

AFL-CIO President John Sweeney says that the election results show the continued strength of the Union movement and the widespread desire for change in this country. "We salute labor leaders and volunteers all across our country for a record turnout of voters from Union households-they made the difference in critical states like Pennsylvania, Michigan, Ohio and so many others. We congratulate Barack Obama and Joe Biden. Our prayers and our continuing support are with them as we begin the arduous task of turning our country around."

Consumer Prices dropped sharply in October; housing starts sank again

U.S. consumer prices took the biggest plunge in 61 years during October, pulled down by a sinking economy that evidence suggests is sending inflation into retreat.

Separately, home construction took its fourth tumble in a row during October, falling to a new record low.

The consumer price index dropped 1.0% on a seasonally adjusted basis compared to the previous month, the Labor Department announced on November 19. It was the largest drop since February 1947. Consumer prices were unchanged during September.

The core CPI, which excludes food and energy costs, fell 0.1% in October after rising 0.1% in September. The 0.1% drop was the largest since December 1982. Analysts expect a muted core as diminishing demand within the ailing economy forces price discounting. Unrounded, the CPI fell by 0.961% last month. The core CPI fell 0.071% unrounded.

Consumer prices, unadjusted, rose 3.7% on a year-over-year basis in October. The core CPI rose 2.2% compared to October 2007.

Energy prices plunged 8.6% in October compared to the prior month—a drop much greater than the 1.9% fall in September, when hurricanes in the Gulf of Mexico interfered with energy production and slowed the decline in energy prices. Gasoline prices in October plummeted 14.2%. Household energy items dropped 0.9%. Food prices climbed 0.3% last month. Transportation prices decreased 5.4% on the month as airline fares dropped 4.8% and new vehicle prices fell by 0.5%.

Housing, which accounts for 40% of the CPI index was unchanged. Rent increased 0.4%. Owners' equivalent rent inched 0.1% higher. Medical care prices increased 0.2%, while clothing prices fell 1.0% compared to September.

In a separate report, the Labor Department said the average weekly earnings of U.S. workers, adjusted for inflation, climbed 1.4% in October.

Housing starts decreased 4.5% to a seasonally adjusted 791,000 annual rate, after falling 3.0% in September to 828,000, the Commerce Department announced on November 19. Originally, Commerce reported September starts 6.3% lower at 817,000. August starts plunged 10.0%.

The October decrease was in line with what Wall Street expected. Economists surveyed by Dow Jones Newswires forecast a 4.7% drop to an annual rate of 779,000. The construction level of 791,000 was a record low. Year over year, housing starts were 38.0% below the level of construction in October 2007.

Builders are restrained by plunging sales. The latest government report on new-home sales in the U.S. showed demand in September made a surprising 2.7% jump to a seasonally adjusted annual rate of 460,000. That slight boost came after demand hit a 17-year low in August.

Still, year over year, September new-home sales were 33.1% lower than the level in September 2007.

Meanwhile, home builders' confidence in the market has plunged to a

new record low amid overwhelming uncertainty about the economy.

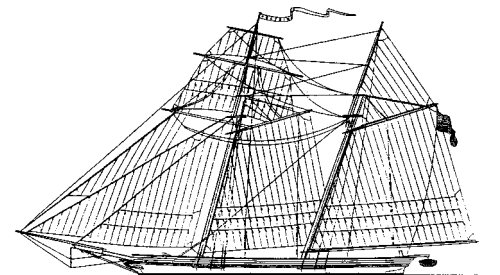
The National Association of Home Builders (NAHB) released results of a monthly survey of builders' thoughts on market prospects. Its November index for sales of new, single-family homes tumbled into single-digit territory, dropping to nine from the previous record low of 14 in October. November's five-point drop puts the index at its lowest level since the series was created in January 1965.

"The report shows that we are in a crisis situation," said NAHB Chairman Sandy Dunn. "If there's any hope of turning this economy around, Congress and the (Bush) administration need to focus on stabilizing housing."

The data on starts showed building permits declined dramatically, falling 12.0% to a 708,000 annual rate in October, Economists had expected permits down just 3.1% to a rate of 780,000. September permits fell 6.1% to 805,000 and August permits tumbled 8.5%. Permits are a sign of future construction; the four consecutive drops signal home construction has further to fall.

September single-family housing starts decreased 3.3% to 531,000. Construction of housing with two or more units fell 6.8% to 260,000.

Regionally, housing starts fell 31% in the Northeast and 13.7% in the Midwest. Starts rose 1.5% in the South and 7.5% in the West. Nationwide, an estimated 69,000 houses were actually started in October, based on figures not seasonally adjusted. An estimated 59,600 building permits were issued last month, also based on unadjusted figures.



Dispatcher's Report Headquarters—Oct. 2008

Deck	
Bosun	3
Carpenter	0
MM	2
AB	8
OS	2
Standby	10
Total Deck Jobs Shipped	25
Total Deck B, C, D Shipped	4
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. ...	25
Total B, C, D Shipped-All Depts. ..	4
Total Registered "A"	49
Total Registered "B"	43
Total Registered "C"	3
Total Registered "D"	8



SUP President's Report

October 10, 2008

THE ELECTION

The recently concluded election was gratifying. Faced with a choice between pro-worker, pro-maritime Barack Obama and anti-worker, anti-maritime John McCain, Americans made the right choice.

Bolstered by a larger, but not yet filibuster-proof, Democratic majority, President-elect Obama has a mandate to make significant changes to benefit workers and their families including enacting universal health care, extending unemployment benefits, broadening workers rights—specifically the passage of the Employee Free Choice Act which would level the playing field for Union organizing. However, just because the Democrats prevailed on all fronts they will need to be closely monitored to make sure they do they right thing.

THE ECONOMY

The biggest challenge facing President Obama and the Congress is the economy. Not since the Great Depression of the 1930's has the United States been in such terrible straits. Last month the nation's unemployment rate surged to a 14-year high as employers cut 240,000 jobs in an economy that is spiraling downward with no upturn in sight. Since the beginning of the year close to one million jobs have been lost with almost 7% of the workforce unemployed.

What is needed is not just stimulus for Wall Street and the banks, but a broad based program like President Franklin Roosevelt's New Deal to rebuild this country and put people back to work.

The maritime industry is not immune from the worldwide economic crisis. Volumes for Matson in the Hawai'i, Guam and China trades fell in the third quarter resulting in an 18.6% drop in profit. Matson has three ships in lay-up and that number could increase if the demand for cargo shrinks. Due to the crisis, APL is laying up ships, reducing capacity in the TransPacific trade by 20% and 25% in the Asia-Europe trade. Thus far no U.S.-flag vessels have been affected.

SHIPPING

Given the fiscal crisis, numerous members have contacted your secretary with concerns that jobs are not turning over fast enough leaving some members—particularly those with less than Class "A" seniority—in an economic bight. Your secretary concurs with that opinion.

With members being squeezed by creditors, mortgage companies, etc., it is important to remember SUP Shipping Rule #1: **"The SUP shall use the rotary system of shipping."** This is an important principle, of sharing the work, has served the membership well for many years and has been altered several times throughout our history to reflect economic conditions.

The proposal that has surfaced to share the work more equably during this emergency is to amend Shipping Rule #8, to state that Class "A" members are entitled to work 120 days aboard ship instead of 200 days. Given the value of seniority, Class "A" or "full book" members would still be able to work over 200 days a years, just not in one straight shot. For those with less than Class "A" seniority there should be a marked turnover of jobs, increasing the work opportunities for those members this Union—for its future—needs to retain.

Under Shipping Rule #50, which deals with emergency situations, the Shipping Rules can be changed on a temporary basis by a Emergency Clarification Committee. Recommend that all members in attendance at today's Headquarters meeting be designated as members of the Committee to issue a recommendation. Thereafter, this recommendation is to be presented at the next meeting (the December Headquarters and Branch meetings) and approved or disapproved by the

membership. The intent of the one-month gap in taking action, is to give members at sea and ashore enough time to discuss the issue and forward their opinions to Headquarters. A Shipping Rule shall be temporary until adopted by the membership on a referendum vote. The next referendum vote is scheduled for December 2009-January 2010, which coincides with balloting for Union officers.

Therefore, the proposal is: "Shall Shipping Rule #8 be amended to reflect 120 days of employment for Class "A" seniority members effective January 1, 2009?"

It should be noted that the Shipping Rule change would affect both APL's and Matson's commercial fleet, except for the APL C-10s operating of the East Coast under "shuttle ship" rules. For members employed in those vessels it is strongly suggested that they terminate employment after three trips—each trip being 56 days—to comply with the amended rule, if passed.

It should be further noted that if the amended rule goes into effect all "trips off" (mandatory and emergency) will be eliminated. Both APL and Matson have indicated that they would approve of the Shipping Rule change without the "trip off" procedure.

CHEVRON SHIPPING COMPANY

For some good news, on November 6, at San Francisco's Pier 80, attended a renaming ceremony for the newest addition to Chevron's U.S.-flag fleet: the *California Voyager*, crewed by the SUP in all three unlicensed departments.

Her compliment is 1 Bosun, 6 ABs, 1 Ship's Utility (OS), 1 Deck Machinist, 1 Engine Machinist, 1 Wiper, 1 Chief Steward and 1 Messman.

The *California* was originally built for Hvide Marine Inc. in 1999 at Newport News and christened *HMI Brenton Reef*. Acquired by SEACOR, the parent company of Seabulk Tankers, she was renamed *Brenton Reef*.

Under the Chevron house-flag, this double-hulled petro-chemical tanker is slated to trade between the West Coast and the Gulf Coast.

The *California Voyager* and the *Mississippi Voyager* (acquired by Chevron last year) are on long-term bareboat charters from Seabulk. Two more Seabulk vessels are scheduled to join the Chevron fleet in 2010 with the company looking at the possibility of chartering another tanker from Seabulk.

APL

Waterfront rumor has it that APL has imminent plans to flag foreign the C-10 Class vessels *Presidents Adams*, *Jackson*, *Polk* and *Truman* and replace them with other vessels.

According to the company, it will probably switch to "Scotland"-Class vessels after the shipyard period for the C-11-Class vessels scheduled for the winter of 2009/2010 is completed. When the change is made the Scotland-Class vessels will be reflagged U.S. and join APL's Maritime Security Program fleet. These vessels were built in 2004 and have a 30% greater capacity than the C-10s built in 1988.

PATRIOT CONTRACT SERVICES

The *USNS Hayes*, an acoustical survey vessel operated by Patriot for the Military Sealift Command since March of this year, laid-up in Norfolk last month. The vessel is apparently obsolete as sensors were laid on the ocean floor to replace her.

The *USNS Waters*, also operated by Patriot for MSC continues to remain in Full Operating Status, as does the *Cape Jacob*, operated by Matson. If members are interested in working in these vessels, contact Berit Eriksson, the SUP Welfare Plan's Director of Workforce Development at 415-957-1816, for training information.

OFFICE & PROFESSIONAL EMPLOYEES UNION

On October 21, the SUP was notified by the Office & Professional Employees International Union, Local 3, that effective November 1, health care premiums for Kaiser Northern California would increase by \$85 per month per participant.

The SUP has a collective bargaining agreement with Local 3 and has an obligation to pay the increase. However, the three individuals covered by the contract—Toby Chiurazzi, the Union's Controller; Teresa Anibale, Editor of the *West Coast Sailors* and Administrative Assistant; and part-time Secretary Martha Vizcarra—voluntarily agreed on October 31, to waive the 3% wage increase due November 1, to offset the increased health care premiums.

These sisters, who demonstrate their dedication to this Union on a daily basis, deserve the thanks of the membership for their action.

HOLIDAY BENEFIT

For the 19th year, the SUP and MFOW will cosponsor a holiday lunch for participants of the respective Union Welfare Plans and invited guests.

As approved by the Union and employer Trustees of both Plans, the cost of catering the lunch is prorated by the number of participants in each of the respective Welfare Plans.

In San Francisco, this year's lunch will be at MFOW Headquarters, 240 Second Street, on Friday, December 19, from 11:30 A.M. to 3:00 P.M.

The Honolulu festivities will be held at the hall on Sunday, December 7, from 10:00 A.M. to 2:00 P.M.

The Wilmington Branch lunch will be held on Saturday, December 13, from 11:30 A.M. to 3:00 P.M. at the hall.

The Seattle Branch will hold its event at the hall on Saturday, December 20, from 11:00 A.M. to 2:00 P.M.

HOLIDAYS

Thanksgiving Day: All SUP halls will be closed on Thursday, November 27, in observance of Thanksgiving.

Christmas Eve: All SUP halls will be closed on Christmas Eve, Wednesday, December 24. Christmas Eve is an ILWU holiday, therefore, it is a recognized holiday with APL and Matson. It is a holiday for vessels in Pacific Coast ports on that day and for those working under the shoreside maintenance agreements.

Christmas Day: All SUP halls will be closed on Christmas Day, Thursday, December 25.

New Year's Eve: All SUP halls will be closed on New Year's Eve, Wednesday, December 31, an ILWU holiday.

New Year's Day: All SUP halls will be closed on Thursday, January 1, 2009.

ACTION TAKEN

M/S to convene an Emergency Clarification Committee comprised of all members at the meeting. Carried unanimously.

M/S after considerable discussion, the Committee recommended to amend Shipping Rule #8 to reflect 120 days of employment for Class "A" members effective January 1, 2009. Carried unanimously.

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

Gunnar Lundeberg

SUP Branch Reports

Seattle

October 20, 2008

Shipped during the period: 1 Boatswain shipped and filled by an A-card; 8 Able Seaman berths filled with 6 A-cards and 2 B-cards; 6 standby jobs filled by 1 A, 4 B, and 1 MFU member.

Registered during the period: 6 A cards for a total of 14; 12 B cards for a total of 24; and 4 C cards for a total of 9.

Ships Checked

Matson vessels *Maui* and *Kauai* and *Manoa* all called in Seattle with little or no trouble. The *Kauai* will lay-up alongside Pier 66 in Seattle for what is anticipated to be several months.

I visited the *California Voyager* in the shipyard in Swan Island. This ship is a new addition to the Chevron/Texaco fleet and a lot of work is going on to bring the vessel up to Chev/Tex standards. SUP Headquarters and company management worked together to bring a cleaning crew aboard before crew members joined the vessel and this went a long way in providing for good morale. There is nothing better when a seaman enters a clean fo'c'sle, and nothing worse than being left a mess to clean up. All three depart-

ment heads, Thor Erikson as serang, Mark Pritchard as Chief Machinist and Bill Gully as Chief Steward said they had good gangs and good work spaces.

The Seattle Branch membership continues to work with the Washington State Labor Council in electing worker friendly legislators. Thanks to all who have been making the rallies, phone banking, leafleting and putting up signs. The politicians do take notice and they do remember who helped them get elected.

During the month I represented the SUP at the following meetings: the King County Labor Council meetings; a meeting with the Captain of the Port; the King County Labor Council's Port Coalition meeting; the Port of Seattle's Working Waterfront Coalition; the Port of Seattle's meeting with Governor Christine Gregoire on freight mobility; and along with the Inlandboatmen's Union, the ILWU, the MM&P, MEBA and the Metal Trades, a meeting with Washington State Senator Mary Margret Haugen and Washington State Legislator Judy Cliburn, both of whom Chair their respective Transportation Committees, on issues pertinent to the maritime industry.

Please vote, and vote for the Democrats. Our jobs depend on it!

Vince O'Halloran, Branch Agent

Wilmington

October 20, 2008

Shipped 1 bosun, 10 ABs, 6 ABDs, 1 OS, 1 STOW, and 68 standby jobs for a total of 87 jobs shipped.

Registration: 33 A cards, 21 B cards, and no C cards.

Ships Checked

Maunalei, Korea, Pfeiffer, Thailand, Singapore, Manukai, Lihue, Manulani, Philippines, Maunawili, China and Maunalei.

Brothers, it is with regret that I inform you of the passing of Brother Chris Bright on board the *President Adams*. Also Brother Gino Segreti's ashes were set to rest at Latitude 21-14.5 and Longitude 157-49.8 by Captain Steve M. Slead from the deck of the *Matsonia*. The Captain recorded it as a beautiful day with clear skies. Not many of us know the day we will pass on or where we will be, so I ask you please, in Jesus' name, to give the SUP Welfare Plan the names and numbers of whom to notify of your passing.

Once again there are rumors of the captains on the *Moku Pahu* asking the man on wheel watch to go down on deck and work between 0800 and 1700. Your wheel watch is to be spend in the wheel house and you do not have the right to give that away. Also the Captain does not have the right to coerce or harass you with mind games or by any means. If the captain tells you he is your friend and then ask you to give up part of our contract remember a pimp tells a whore he is her friend also. On other ships there have been reports of crew giving away the noon knock off. If your ship ties up between 12 midnight and 0800 and sails after midnight and you have stood a watch or any part of a watch you are off at noon.

Labor Day 2009 will be our 30th annual Labor Day event down here in the Southland. Working class taxpayers like you need to amass as one and tell our president of the changes we need. It is your turn to fight, so where will you be? The working class is the biggest voting block, don't let them divide us. Finally brothers when you pass by another of the working class, shake hands and say good day brother. Labor needs to stand as one. As always, yours in struggle.

Paul Calais
Branch Agent

Honolulu

October 20, 2008

Shipped during the period: 1 AB watch aboard a Navy vessel, 2 AB watch, 4 AB Daymen, and 14 casual jobs to various ships and rigging loft. The steady jobs were taken by 4 A cards, and 3 B cards. The casual jobs were filled by 4 B cards, 4 C cards and 2 D cards.

Registered in October: 4 A cards for a total of 9; 4 B cards for a total of 10; 1 C card for a total of 8; and 1 D card for a total of 2.

Ships Checked

Manukai, Maunawili, Manulani, Maunalei, R.J. Pfeiffer, Mokihana, Matsonia, Manoa, Maui, Kaua'i,

Mahimahi, Paint and Rigging and *USNS Waters*. All ships reported little if any problems. Thank you delegates for keeping these ships beef free; it is greatly appreciated.

Michelle Chang attended our meeting and was a big help in assisting our active members and pensioners with there welfare concerns. Thank you, Michelle, for all you do.

I attended the Hawai'i Port Maritime Council meeting. Things are status quo with all Unions on the council.

At the request of Jim White (VSO for Veterans Claims & VA Appeals for the American Legion Service Office in Hawai'i) I attended a luncheon hosted by Senators Dan Inouye and Dan Akaka. We were urged to get out the vote for Obama.

I have had many conversations with Bruce McEwan, chairman of the "Friends of Falls of Clyde Society". I am happy to report that the Falls of Clyde is, for the time being, safe. The Society is working hard to gain non-profit status with the IRS so that they may seek federal grants to save this grand piece of maritime history. The Matt Matsunaga Charitable Foundation is currently accepting donations for "FoFoC" until they have gained their non-profit status. Anyone within to make a donation to this worthy cause can call (808) 523-6040.

Branch Agent Mike Duvall is still on the binnacle and should be back in the chair soon.

I urge all members to get out and vote on November 4. Remember that Senator McCain is anti-Jones Act and anti-Union.

Finally, I regret to inform the membership of the passing of Michael "Whit" Whitman. Whit was a maritime powerhouse here in Hawai'i and a good friend of the SUP. He will be missed.

Patrick Weisbarth
Acting Branch Agent

San Francisco Business Agent

Visited and paid off the following ships:

Mahimahi— Manny Roxas, delegate; Mark Hurley, bosun: Triangle run. Running smoothly, good mate and captain.

Manoa— Rolando Mendoza, delegate: In from the northwest. New dayworker shipped for Sam Scott. No disputes. Made twice.

Maui— Norman Kurtz, delegate: Coastwise San Francisco, Honolulu and Seattle run. No disputes; in good shape.

Mokihana— John Savage, delegate: In from the Island. New ABD Phil Howell. No beefs.

Moku Pahu— James Buster, delegate: In from Honolulu with a load of sugar discharged at Crockett, then making a trip to Pakistan with a load of wheat.

APL China— Joe Marusak, delegate: Ted Soderberg did a good job as bosun relief. No problems or disputes.

APL Korea— Josh Entenmann, delegate: Voyage paid off. No disputes, good gang.

APL Thailand— Kris Skorodynski, delegate; Jan Peter-Johnsson, bosun: Voyage pay off. Few clarifications, otherwise in good shape.

Bill Berger

Vice President's Report

November 2008

Ships checked

California Voyager: Chad Avellar relieved Kelly Eggers as delegate. Thor Erikson, bosun. New ship in at RLW for the first time with a new coat of paint. Gunnar Lundberg attended the renaming ceremony at SFO Pier 80. Expected intercoastal run. In fine shape, inside and out. SUP members at Chevron have never been more dedicated or more committed to professional seamanship.

President Adams: In at Howland Hook, New York. Acting delegate Dave Sylstra filled in for regular delegate Dave Munroe who was filling in for the suddenly departed bosun, Chris Bright, converted by heart attack from crew to horrible cargo. We should neither romanticize nor trivialize death, but losing one of our finest in the line of duty confers on us some responsibility, as after a grounding, to sound the tanks.

We should not dwell on it, but with Chris Bright gone we have lost something of who we are. In 1976, his first year with the Union, at the age of 22, he shipped 276 days as an Ordinary Seamen aboard Mobil Oil tankers. He worked like that for the next 32 years, for Mobil, and APL and Matson; in the *Lihue*, the *Mokihana*, *Kainalu*, *Matsonia*, *Mahimahi*, *Maui*, and *APL Philippines*, to name only a few of his many ships. Always shipping hard, always putting in his time, he never failed to step up to any task, never let somebody else do it for lack of will or skill. He knew how to sail continuously with a good attitude. He was often the Union delegate, enforcing, defending, and explaining the contract. And having perfected his craft he made honest and respectful instruction part of being the bosun. He worked his whole life at sea, his whole life with the SUP, and he died in mid-stride crossing the Red Sea at the young age of 54. When the clock stopped he had 352 hours of overtime in a 56-day voyage with nearly two weeks left to go. Vigilant, competent, and nearly always on deck, one of his last duties was standing an unarmed nighttime pirate watch, staring over the rail into the blackness beyond the wake.

We held a Union meeting onboard, talking about Chris. But soon there were cops and lawyers and coroners everywhere, and the radios crackled with calls: the short-handed crew had even more work than normal. I packed up my things and leaving saw that someone had scrawled the last lines of Joseph Conrad's great sea story "*The Nigger of the Narcissus*" on the crew message board in the passageway.

A gone shipmate, like any other man, is gone forever; and I never saw one of them again. But at times the spring-flood of memory sets with force up the dark River of Nine Bends. Then on the waters of the forlorn stream drifts a ship—a shadowy ship manned by a crew of Shades. They pass and make a sign in a shadowy hall. Haven't we, together, on the immortal sea, wrung out a meaning from our sinful lives? Good-bye brothers! You were a good crowd. As good a crowd as ever fistled with wild cries the beating canvas of a heavy foresail; or tossing aloft, invisible in the night, gave back yell for yell to a westerly gale.

Scholars still debate the ironic importance of that inflated rhetoric; but from a sailor's point of view there seems something right about it. Something persists from our shared hardship, friendship and toil, doesn't it? Something lasts from what we've done together and from the unique solidarity known amongst shipmates. We've wrung out a meaning on the immortal sea. Haven't we?

Dave Connolly