

Volume LXXIX No. 7

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Friday, July 22, 2016

### Matson's foreign-flag South Pacific Service will include Honolulu

Service will link the company's West Coast-Hawai'i service with its South Pacific network. Using a dedicated ship to carry West Coast cargo transshipped at Honolulu, the new service provides same-dayof-the-week South Pacific arrivals every 28 days, calling at Apia, Samoa; Pago Pago, American Samoa; Nuku'alofa, Tonga, Suva, Fiji, and Lautoka, Fiji before returning to Honolulu.

The ship that will be deployed is the 510 TEU vessel *Liloa*, registered in Antigua and Barbuda. The *Liloa*, built in 2003, is 5234 gross tons, 359 feet long with a beam of 60 feet.

The International Transport Workers' Federation (ITF) has declared Antigua and Barbuda a flag-of-convenience registry which means that Matson is using the Caribbean nation as a refuge from U.S. taxes, safety and environmental standards – as well as American merchant mariners.

Matson resumed service to the South Pacific in 2013 when it bought New Zealand's reef shipping company. From the 1920s through the 1960s Matson operated a U.S.-flag South Pacific service.

In addition to calling Samoa, Tonga, Fiji and Honolulu, the foreign-flag operation calls at Auckland, New Zealand; the Solomon Islands, the Cook Islands and New Caledonia.

### **Canadian sailors win lawsuit** over foreign crew permits

The Seafarers International Union of Canada announced this month that the Canadian government will suspend and review the work permits of 11 foreign crew members of the Marshall Islands-flagged product tanker *New England*, pursuant to a federal court order.

The SIU said that it was the first time that a Canadian Union has obtained an order of the Federal Court granting judicial review of work permits issued to foreign workers and a further order setting aside those work permits.

The order represents the outcome of over 40 lawsuits the Union filed last September which claimed that the government was improperly issuing work permits for hundreds of foreign-flagged vessels operating in Canadian waters. The SIU contended that there were enough qualified Canadian mariners to fill these positions, making the permits a breach of immigration laws. At the time of the filing, SIU President Jim Given said that the government had given as many as 2,100 jobs to foreign workers instead of Canadian seafarers. "The Federal Government continues to misuse their authority to grant temporary work permits to foreign workers, while passing over Canadian sailors who are ready to work," he said.

### International Transport Workers' Federation demands European Union keep U.S. cabotage out of TransAtlantic trade agreement

peaking in Brussels, Belgium, on July 13, before negotiators involved in crafting the U.S.-European Union (E.U.) TransAtlantic Trade and Investment Partnership (TTIP) trade pact, the London-based International Transport Workers' Federation (ITF) stated forcefully that cabotage laws should not be included.

"There is no reason for either side in TTIP to seek access to the other's domestic cabotage regimes or to restrict measure by either party to grow their national first registers and national seafaring jobs," proclaimed ITF Seafarers' Section Secretary Jon Whitlow.

Secretary Whitlow's statement on cabotage and trade agreements follows:

"The international maritime transport market particularly in the U.S./EU trade, where the European Union has banned liner carrier conference and pricing agreements, is open, liberal and extremely competitive. Recent overcapacity, consolidation and downward freight rate EU vessels to certain U.S. cabotage markets, including for EU second register vessels which employ mostly non-EU seafarers; and to restrict any measures that would enable the United States to strengthen its remaining international flag fleet and related jobs. While the United States continues to defend its domestic cabotage and small U.S.-flag international presence (fewer than 80 U.S.-flag ships) for national security purposes, the EU continues to promote member state aid for their fleets, including their second registers. And they seek access to the U.S. domestic markets for those ships and non-EU seafarers as they did in the CETA (Comprehensive **Economic and Trade Agree**ment) agreement. This is unacceptable.

Lastly, we need to clear up some misconceptions about the competitive environment in the maritime trade between the European Union and the United States.

All ships in the trade, including the small number of U.S.-flag ships and the many EU ships of all flags, have unrestricted access to all commercial cargoes, access to the limited available U.S. domestic feeder services and to all road and rail connections throughout the United States on an equal and non-discriminatory basis. The small number of U.S.-

flag ships in the U.S./EU

international trade have no

Jones Act coastwise privileges

or any regulatory advantage

over the EU-owned and op-

erated ships. In fact, many

of those EU ships regularly

seek their own advantage by

operating under low-cost,

non-national flags including flags of convenience. A recent study by the UN Conference on Trade and Development indicates that the EU currently has 16,472 ships under EU beneficial ownership and the majority of those vessels are not registered in EU member states. This has major implications for the retention of a maritime skills base in the EU which is essential for the EU maritime cluster to be able to function effectively.

U.S.-flag ships carry approximately two percent of the commercial cargoes in the U.S.-EU trade, EU owned and operated ships of all flags carry the majority of the trade. And all of the U.S.-flag ships in the trade are owned and operated by subsidiaries of EU companies.

There is no reason for either side in TTIP to seek access to the other's domestic cabotage regimes or to restrict measures by either party to grow their national first registers and national seafaring jobs. And therefore, since access to the international maritime trades on both sides of the

Atlantic is already open, there

is no reason for the European

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



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trends confirm that.

Despite this, and despite the clear success and valid economic and security reasons for national domestic maritime policies -including cabotagethe European Commission continues to insist on including maritime transport services in TTIP without providing any evidence that such inclusion would benefit either side or consideration of the detrimental impact it would have on national fleet development and employment of national seafarers in the EU and U.S. The maritime provisions in the EU services proposal continue to seek access for

Commission to continue to call for a maritime services chapter in TTIP." ITF President and Maritime Union of Australia President Paddy Crumlin commented: "The ITF and its Unions are committed to defending cabotage, which is in operation in 47 countries, We are on record as pointing out that failing to protect cabotage undermines sovereignty and has national

security implications. It also

has serious economic implica-

tions for maritime regions and

communities."

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### **SUP Honor Roll**

Voluntary contributions from the membership to the following funds:

#### Organization/ General Fund

Rodolfo Bautista	30.00
Gerry Marshall	10.00
Ariel Odion	

#### West Coast Sailors

Stanley Branch	25.00
Eve Sullivan	.10.00

#### Dues-Paying Pensioners

<b>Robert Copeland</b>	Book #4763
Donald Cushing	Book #4777
<b>Romaine Dudley</b>	Book #2593
Diane Ferrari	Book #2251
Gerald Ingemansson	Book #0379
Kaj E. Kristensen	Book #3120
Hannu Kurppa	Book #3162
Dave Larsen	Book 19078
Duane Nash	Book #2437
John Perez	Book #3810
Alex Romo	Book #3193
Francisco Salvatierra	Book #7498
James Savage	Book #7488
Ralph Senter	Book #7323
David Shands	Book #7483
Arthur Thanash	Book #3249

Political	Fund
aher Ali	50.00

Saher Ali 50.00
Edwin Baptista 50.00
Rodolfo Bautista 50.00
John Benson 100.00
Alex Capistrano in memory of
Andy Andersen and
Bill Berger 100.00
Dave Connolly 100.00
Thomas Cook 100.00
Mike Dirksen 50.00
Geoffrey Knight 50.00
Kaj Kristensen 50.00
Ernesto Laguamada 40.00
Robert Leeper110.00
Gunnar Lundeberg 50.00
Vince O'Halloran 100.00
Ariel Odion 50.00
<b>Ricky Pangan 100.00</b>
Antonio Respicio10.00
Warlito Sapin 60.00
Richard Stinson10.00
Steve Swinson 25.00
Bruce Thompson in memory of
Maxie Kornblatt 50.00
Roy Tufono 50.00
Remoni Tufono 50.00
Aaron Wong10.00



#### Canadian sailors win lawsuit - continued from page 1

The Union has recently filed a follow-on round of an additional 13 lawsuits – bringing the number outstanding to 44 active cases before the court.

"It is outrageous that temporary foreign workers are being granted work permits to crew these oil tankers, while qualified Canadian seafarers are unemployed, said Given. "This is a big win for our members, who are trained and available to crew these tankers."

Canadian cabotage law generally forbids foreign-flagged ships from participation in coastal trades, although it does make provision for waiver licenses and contains several limited exemptions for American ships.

### Hawai'i: 3 new species of fish found

Researchers in Hawai'i have discovered three probable new species of fish while on an expedition in the protected waters of the Papahanaumokuakea Marine National Monument.

The National Oceanic and Atmospheric Administration (NOAA) officials this month said divers collected two previously unknown species of fish and filmed a third. NOAA's Randall Kosaki, the expedition's chief scientist, said the team collected the first specimens of male Hawaiian pigfish about 300 feet below the surface.

The scientists also observed significant coral mortality in the region that was the

# Adam Smith got it right: Jones Act is essential for national security

The following letter was written last month by Thomas Allegretti, Chairman of the American Maritime Partnership (AMP). The AMP is a coalition that supports the Jones Act. The SUP is a member.

"We write to address a statement about the Jones Act in a recent op-ed appearing in *Inside Sources* celebrating the birthday of famed economist Adam Smith. In their piece, "Corporate Welfare, 18th-Century Style," the authors proclaim "the Jones Act restricting commercial shipping between American ports to domestic shipping firms, vessels and crews" is among "countless examples of modern corporate welfare." Clearly, these authors have never read, or have completely forgotten, the very Smith book they commend as "still guid[ing] our thinking today."

Had the authors actually read Smith's *An Inquiry Into the Nature and Causes of the Wealth of Nations*, they would have known that he recognized the need for a small number of exceptions to his free market economic theory, specifically as it pertains to national defense. In fact, in his book, Smith specifically cited cabotage laws like the Jones Act as one of those very exceptions:

There seem, however, to be two cases, in which it will generally be advantageous to lay some burden upon foreign, for the encouragement of domestic industry ... The first is, when some particular sort of industry is necessary for the defense of the country. The defense of Great Britain, for example, depends very much upon the number of its sailors and shipping. The act of navigation, therefore, very properly endeavors to give the sailors and shipping of Great Britain the monopoly of the trade of their own country, in some cases, by absolute prohibitions, and in others, by heavy burdens upon the shipping of foreign countries ... As defense, however, is of much more importance than opulence, the act of navigation is, perhaps, the wisest of all the commercial regulations of England.

That's right, Smith, capitalist hero of conservatives, highlighted the British equivalent of the Jones Act as perhaps the wisest of all the commercial regulations of Great Britain.

Today, the defense of the United States, like Great Britain at the time of Smith's writing, depends very much upon a strong domestic shipping capability, according to many of the nation's top military leaders. For example, General Paul J. Selva, former Commander of U.S. Transportation Command and now Vice Chairman of the Joint Chiefs of Staff, just last year said, "I can stand before any group as a military leader and say without the contribution that the Jones Act brings to the support of our industry, there is a direct threat to national defense ... "His comments reflect the important modern role the domestic American maritime industry plays in sustaining a pool of qualified mariners; a commercial shipbuilding, maintenance, and repair industrial base; and a shipping and logistics network necessary to meet defense sealift needs."

# After two years imprisonment ship's crew freed in Nigeria

The 11 Indian mariners of the tanker *Maro* have been released after being held for two years in Nigeria.

The men had been in jail from July 25, 2014, to June 29 of this year, when the Federal High Court of Nigeria declared them innocent and absolved them of all charges.

There were 16 crew members: 11 Indians, two Nigerians and three Ghanaians on board at the time of the arrests in July 2014. The ship's engine failed, and it drifted into a stretch of Nigerian waters. The ship, being used for bunkering, was arrested and accused of entering Nigerian waters

without permission.

The Indian crew, with a Nigerian captain, were imprisoned, and there began a series of court battles to prove their innocence. After arresting them, the Nigeria navy handed over the case to the country's Economic Financial Crime Commission. The men were allegedly asked to pay a \$2,000 fine, but their captain advised against it. The men were then charged with oil smuggling and illegal trespassing, although there was apparently no oil on the ship at the time.

West Coast Lailors

Published monthly by the Sailors Union of the Pacific (an affiliate of the Seafarers International Union of North America, AFL-CIO), Headquarters, 450 Harrison St., San Francis-

### Final Departures

**James Eggleston**, Book No. 1845. Born in California in 1927. Joined SUP in 1945. Died in Lodi, California, June 15, 2016. (Pensioner)

**Ted Swanson**, Book #7465. Born in Oregon in 1945. Joined SUP in 1967. Died in Honolulu, Hawai'i, June 16, 2016. (Pensioner)

**Dennis Sparta**, Book No. 7412. Born in New York in 1934. Joined SUP in 1955. Died in Palm Beach, Florida, July 2, 2016. (Pensioner) result of a mass bleaching event in 2014. The team found that dead coral was covered in green algae bloom.

#### **SUP Meetings**

These are the dates for the regularly scheduled SUP meetings in 2016:

Brancn
15
19
17
21
19

### SUPPORT THE SUP POLITICAL FUND

The families of the *MT Maro* crew had no idea what had become of their loved ones until communication was finally established in August 2015.

After their release, the Indian crewmembers arrived in Delhi, India, on July 3 to be reunited with their families.

Rev. Boet van Schalkwyk, a chaplain for international maritime charity Sailors' Society has been working with the National Seafarers' Welfare Board of Nigeria. Boet and a fellow chaplain were given the go-ahead to visit the prisoners and were able to offer welfare support and counseling in September 2015. It was the first interaction the crew had had with the outside world since their arrest. co, CA 94105. Phone: 415-777-3400. FAX: 415-777-5088. Dispatcher: 415-777-3616. Website: www.sailors.org. Periodicals' postage paid at San Francisco. (USPS 675-180). Printed by Commerce Printing Co., a Union shop. POSTMASTER: Send address changes to West Coast Sailors, 450 Harrison St., San Francisco, CA 94105.

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#### Matson enters agreement to acquire Alaska freight transport services provider

Matson, Inc. said on July 18, its subsidiary Matson Logistics, Inc. has entered into an agreement to acquire the forwarder and consolidation company Span Alaska for \$197.6 million. Matson expects to close the deal in the third quarter of 2016, subject to a Hart-Scott-Rodino waiting period and other customary closing conditions. The deal comes slightly over a year after Matson entered the Alaska market by acquiring the Alaska business of Horizon Lines on May 29, 2015.

Matson said Span Alaska, which is owned by the private equity firm Evergreen Pacific Partners, is its biggest northbound customer to Alaska, and has been a customer of Matson or Horizon for 30 years. Span Alaska has doubled in size during the past year through the acquisition of Pacific Alaska Freightways. Its competitors include, America Fast Freight, Lynden, Carlile Transportation, Alaska Express Service and Alaska Traffic Co. Span Alaska's website says it and its related companies ship more than 200 million pounds of freight annually to Alaska.

Matt Cox, president and CEO of Matson, noted that Carlile is owned by Saltchuk, the owner of the Alaska roll-on/roll-off shipping company TOTE Maritime Alaska, and Lynden is affiliated with barge operator American Marine Lines, which offers barge service to both Alaska and Hawaii.

Cox took pains to mention that Matson Logistics does not offer forwarding services to Hawai'i, and is not interested in doing so. He noted that unlike in Alaska where the forwarding business is concentrated among a few companies, some of which are affiliated with ocean carriers, in the U.S. mainland-Hawai'i business, forwarding is much more fragmented.

Founded in 1978, Span Alaska is an asset-light logistics business that aggregates customers' freight in Auburn, Washington, near Tacoma for consolidation and shipment to seven terminals in Alaska where the freight is deconsolidated before final delivery. It has two terminals in Anchorage and one each in Kodiak, Juneau, Kenai, Wasilla and Fairbanks. Span Alaska's business is more weighted towards moving products such as groceries and consumer staples than products for the oil and gas industry, for example. Span Alaska will continue to use other ocean carriers to Alaska in addition of Matson, since there are times when those other services may offer a better solution for shippers. As a complement to its core LCL services, Span Alaska provides trucking services which include drayage to and from the Port of Tacoma and delivery to customers' final destinations in Alaska.

### Trump's VP pick has long anti-labor record

Indiana Governor Mike Pence, Donald Trump's choice for his running mate on the Republican ticket, has a long anti-labor record, from denouncing minimum-wage increases to putting his own money into a campaign to cut construction workers' pay.

"He's just an anti-worker candidate," says Indiana AFL-CIO President Brett Voorhies. Union officials in the state cite his defense of its ban on the Union shop, the repeal of the "Common Construction Wage" for workers on public projects, and his channeling education funds away from public schools. And when the Carrier Corporation announced earlier this year that it was moving its air-conditioner factory from Indianapolis to Mexico, "the governor did nothing to save those jobs."

Meanwhile, the National Right to Work Committee praised Pence in 2014 as "one of the biggest supporters of Right To Work freedom."

Pence was elected governor in 2012 after serving 12 years in Congress. He's one of the five industrial-Midwest governors who are fiercely anti-labor, along with Scott Walker of Wisconsin, Rick Snyder of Michigan, Bruce Rauner of Illinois, and John Kasich of Ohio. Indiana passed its "right to work" law prohibiting the Union shop in 2011, before he took office, but Pence defended it when the United Steelworkers and International Union of Operating Engineers Local 150 challenged the law in court.

When the state Supreme Court upheld the law in November 2014—on the seemingly illogical grounds that it did not force Unions to represent nonmembers for nothing, because it was federal law, not state law, that requires them to represent all workers in a bargaining unit–Pence called it "a victory for the freedom of every Hoosier in the workplace." He says he strongly supports the law because "I don't think anyone should be required to join a Union as a condition of their employment."

Pence has also long opposed raising the minimum wage. In Congress in 2007, he voted against increasing it from \$5.15 an hour–where it had been stuck for 10 years–to \$7.25. He blamed the minimum wage for high unemployment among black teenagers



SUP member Manny Baroman signaling an MH60 helicopter with Navy ABH1 Ted Taotao behind him as part of the Landing Pad Practical portion of LSE (Landing Signal Enlisted) training last month on Oahu's North Shore.

# U.S. ports want more action on dirty bomb prevention

The threat of terrorist smuggling at U.S. ports appears to be increasing, says the American Association of Port Authorities (AAPA), who wants mechanisms to prevent cyber terrorism and illegal nuclear materials from being trafficked through ports intensified.

Nuclear smuggling can involve small quantities of highly enriched uranium or plutonium that could be used to build an improvised nuclear device. Additionally, radiological materials, such as cesium-137, cobalt-60, and strontium-90, can be combined with conventional explosives to build a radiological dispersal device, often referred to as a dirty bomb.

According to a nuclear and radiological material trafficking database managed by the International Atomic Energy Agency (IAEA), approximately 2,700 cases of illicit trafficking of such material have been confirmed as of December 31, 2014. These cases were reported by more than 100 countries that voluntarily contribute to IAEA's database.

Many confirmed cases involving the illicit trafficking of nuclear materials, including weapons-usable material, have been traced to material that originated in countries of the former Soviet Union and had fallen outside of those governments' control.

Maryland Port Administration Security Director Dave Espie, a retired FBI agent and former National Security Agency Special Agent, testified on July 7 on behalf of the AAPA at a joint hearing of the House Transportation and Infrastructure Committee's Subcommittee on Coast Guard and Maritime Transportation, and the House Homeland Security Committee's Subcommittee on Border and Espie. "The actions and aggressiveness of the Islamic State of Iraq and the Levant (ISIL) are challenging all aspects of our port security procedures. The threat from ISIL emerges on several fronts. First, the size of ISIL's force is substantial. Second, ISIL is not a congruent entity. Its leadership remains in a fractured state and subsequently, sub-factions form that are very difficult to identify or trace. Third, ISIL's use of the internet and related systems to recruit both actual soldiers and lone wolves has proven to be extremely successful."

Maritime nuclear smuggling "could ultimately impact the safety and security of the United States if not addressed in a cohesive and expedited manner," said Espie.

Espie believes there is a need for sound diplomatic relationships with nations that cooperate with the U.S. to secure their own nuclear materials, and the need for them to assist in countering ambitions of nuclear countries intent on inflicting harm with their fissionable materials.

In his prepared statement, Espie says that the U.S. strategy to prevent maritime nuclear smuggling should use a holistic approach that incorporates diplomatic engagement, utilizes intelligence community assets (human, cyber and technical), focuses on port security protocols (both federally mandated and those imposed by port operators), increases Port Security Grant funding to ensure ports are brought up to and remain in federal compliance, and appropriately invest in federal agencies like Customs and Border Patrol to ensure current and future legislative mandates are properly executed.

His testimony encourages Members of Congress to continue funding ports and that Customs and Border Patrol assign more than one percent of its new hires to seaports, which was the approximate staffing ratio of Customs and Border Patrol new hires to ports in fiscal year 2015.

and said raising it "violates fundamental free-market economics." As governor, he expanded a 2011 state law that prohibited local governments from setting higher minimum wages, so that it also banned them from requiring benefits, such as paid sick leave, that are not mandated by state or federal law. The Republican-controlled legislature blocked bills to raise the minimum to \$8.25 in 2013 and to \$10.10 in 2015. Pence "championed" repealing the state's prevailing-wage laws, says Ed Maher, IUOE Local 150's communications director. "He made that personal, putting his own money into ads." His campaign spent \$250,000 on those ads, with Pence saying the law "is outdated and costs Hoosier taxpayers millions in additional building costs."

Donald Trump has made much of his opposition to trade agreements that enable jobs to be shipped off to low-wage nations. But Pence "voted for every free-trade agreement there was" when he was in Congress, says Voorhies.

When Carrier announced it was closing the Indianapolis plant, says Brannon, Pence met with management, but at first refused to meet with United Steelworkers Local 1999, the Union representing the workers. "The only reason he met with the Union was that they were in the hallways of his office," Voorhies says. Local 1999 offered \$25 million in concessions, Brannon says, but Carrier said it would only keep the plant open if they worked for \$5 an hour with no benefits. They had been making \$14 to \$26. Workers in Carrier's Monterrey, Mexico plant get \$3.

"Mike Pence has been no friend to Union members and working- and middle-class Hoosiers," says Ed Maher. He sees Pence as using the governorship as a stepping stone to higher office, trying to win the support of the Koch brothers and other farright funders by adopting policies "right out of the national anti-Union playbook." Maritime Security.

Espie said in his testimony that the threat of maritime terrorist smuggling appears to be increasing, possibly in correlation with the flight of Syrian refugees to Europe. Recently, a stowaway on a rollon/roll-off vessel destined for Baltimore was located by the ship's crew and taken into custody by Homeland Security Investigations. The stowaway admitted that he boarded the vessel while it was docked at a German port. Approximately one week prior to this event, a shipping lines manager in Baltimore advised that his lines had experienced several stowaway attempts by Syrian nationals in Germany as well. Directors of port security in the United States are not routinely granted a security clearance with the federal government and hence, are not provided classified briefings regarding threats to their ports, says Espie.

The suspects of maritime nuclear smuggling efforts are numerous, says

In June, the United States Government Accountability Office submitted a report to the Subcommittee on Energy and Water Development, Committee on Appropriations, U.S. Senate on U.S. actions combating nuclear smuggling. The report confirms that international nuclear and radiological smuggling threatens the security of the United States.

The report highlights the global nature of the issues, and states that, according to officials from the Department of Homeland Security, detecting and interdicting such materials as close to the original source – and as far away from the United States – as possible, increases the probability of successfully deterring nuclear smuggling into the United States and strengthens national security.

## The Jones Act and Homeland Security in the 21st Century

#### by Daniel Goure

mong the enumerated powers granted to Congress in Article One, Section Eight of the U.S. Constitution is to provide and maintain a Navy. Fulfilling this responsibility requires, inter alia, that Congress ensure the health of the domestic shipbuilding and repair industrial base and existence of an American merchant marine.

Almost one hundred years ago, the Congress of the United States sought to enhance the nation's ability to provide and maintain a Navy by passing the Merchant Marine Act of 1920, also known as the Jones Act. At the time, the motivating concerns were economic security and maintaining a viable shipbuilding industry and merchant marine in support of a strong Navy. The Act places restrictions on what is called cabotage or the movement of goods between U.S. ports and on U.S. waterways, requiring that only U.S.-built and flagged vessels conduct this trade and that at least 75% of the crews be U.S. citizens. In addition, the Act restricts the foreign steel content of repair work on U. S.-flag vessels thereby restricting such activities to U.S. shipyards. Today, the Jones Act remains critical to the maintenance of a U.S. shipbuilding and repair industry and associated skilled workforce to support the Navy. It is vital also to the sustainment of our merchant marine.

Since 9/11, the Jones Act has taken on new significance for national security in a way that no one in 1920 could have imagined. It now plays an important role in securing the homeland from the threat of international terrorism.

The current debate of enhancing U.S. border security has focused almost exclusively on illegal movement of people and drugs into the southern United States from Mexico. Yet, the southern land border is actually the smallest at 1,989 miles. The U.S. border with Canada is almost three times longer at 5,525 miles.

But all this country's land borders taken together are dwarfed by the 95,000 miles of national shoreline. This includes the Pacific, Atlantic and Gulf Coasts as well as the Great Lakes separating the United States from Canada. Along this shoreline are many of America's greatest cities: Los Angeles, San Francisco, Portland, Seattle, Chicago, Boston, New York, Philadelphia, Charleston, Savannah, Miami and Tampa. Virtually all of these are associated with ports through which annually pass millions of cargo containers and hundreds of thousands of passengers.

Moreover, the United States is a nation of rivers as well as the world's preeminent maritime power. For example, a ship entering the homeland through a coastal port such as New Orleans will have access to the deep interior. The inland waterways of the United States encompass over 25,000 miles of navigable waters, including the Intracoastal Waterway, a 3,000-mile highway that traverses the Atlantic and Gulf Coasts. This liquid highway touches most of America's major Eastern and Gulf Coast cities including Washington D.C., Philadelphia, Baltimore, Chicago, New Orleans and Mobile. Inland and intracoastal waterways directly serve 38 states from the nation's heartland to the Atlantic seaboard, Gulf Coast and Pacific Northwest.

The U.S. marine transportation system encompasses all of these waterways, as well as the world's largest exclusive economic zone. For regulatory, safety and security purposes, it includes 361 ports, over 3,000 facilities and more than 14,000 regulated domestic vessels. In totality, securing not simply America's waters but all the relevant infrastructure poses a daunting challenge. According to the U.S. Coast Guard, "the vastness of this system and its widespread and diverse critical infrastructure leave the nation vulnerable to terrorist acts within our ports, waterways, and coastal zones, as well as exploitation of maritime commerce as a means of transporting terrorists and their weapons." The prospect of terrorists on the inland waterways system is a particularly daunting challenge to homeland security. Via the inland waterways, a terrorist could reach America's heartland and many of its largest and most important urban centers. These waterways are heavily traveled by both commercial and pleasure craft. They carry an enormous weight of the nation's internal commerce. Critical land lines of communications and oil and gas pipelines traverse a number of these waterways. Guarding every potential target along the inland waterways against terrorist attack is an impossible task. The protection of the nation's maritime transportation system is governed largely by the 2002 Maritime Transportation Security Act (MTSA) and the Security and Accountability for Every (SAFE) Port Act of 2006. The MTSA and SAFE Port acts address not only standards for the physical security of the nation's ports and maritime facilities and the proper documentation of all vessels, cargoes and people arriving at a U.S. port, but also identity security for those who have access to maritime infrastructure or domestic vessels. SAFE Port instituted the Transportation Worker Identity Credential (TWIC) for the purpose of vetting maritime workers and replacing the hundreds of identity cards then in use with a single, recognizable and tamper-resistant credential.

The Department of Defense and Department of Homeland Security (DHS) along with domestic law enforcement agencies at both the state and federal levels are expending enormous amounts of manpower and resources to monitor and secure the nation's ports and waterways. Within DHS, the responsibility for maritime security rests with the Coast Guard, Customs and Border Protection and the Transportation Security Administration (TSA). There are programs to control foreign ships and scan international cargoes at ports of embarkation. Ships, cargoes and their crews are subject also to additional inspections and credential checks when they enter the United States. DHS also manages the TWIC program that issues special credentials to workers who require unescorted access to secure areas of ports, vessels, outer continental shelf facilities and to all credentialed merchant mariners. To be eligible for TWIC, one must be a U.S. citizen, lawful permanent resident, naturalized citizen or a non-immigrant alien, asylee, or refugee who is in lawful status. Since the inception of the TWIC program, TSA has provided the new credentials to some 2.9 million workers involved in some way with the marine transportation system.

The effort to prevent the entry of foreign terrorists, weapons or contraband into the U.S. homeland is a massive undertaking involving tens of thousands of government personnel to surveil and control the large number of foreign citizens, cargo containers and foreign-owned and crewed ships that enter the United States every year. Their movements and those of their crews are subject to a variety of controls and restrictions. Without valid passports and TWIC documentation, foreign sailors are restricted to their ships and the immediate port area.

The same is not the case for U.S. vessels and their crews engaged in the movement of goods or the provision of services solely within U.S. waters. While there are federal and state laws and regulations governing the operation of ships involved in cabotage, they are far less demanding than those in place to prevent threats or contraband from entering this country's ports from overseas.

It is particularly important that those vessels and crews which routinely travel between U.S. ports and especially the inland waterways through America's heartland pose no threat to the homeland. One approach would be to apply the same security conditions for vessels and crews operating in U.S. waters as exist for foreign-owned and operated vessels coming from overseas. This would include advance notification of ship movements, inspections of cargoes, and the vetting of crews. This would be in addition to the regulations governing their operation under the MTSA and the SAFE Port Act.

In addition, the requirement to treat vessels conducting cabotage as if they were potential sources of threats to the homeland on the same order as foreign vessels entering U.S. ports would also necessitate much more extensive intelligence and surveillance on their activities. Extending the same data management and tracking requirements for foreign vessels and crews to those operating in U.S. waters would require an enormous investment of both resources and personnel by DHS components. Given the essentially flat budgets under which DHS has operated for the past several years, the necessary expenditures would only come at the expense of the effort to monitor foreign threats seeking to enter the country. It is for this reason that the higher standards with respect to ownership and manning requirements for Jones Act ships are so significant.

The task of securing U.S. seaports and foreign cargoes is daunting by itself. It makes no sense to add to the burden facing domestic security agencies by allowing foreign-owned ships operated by foreign crews to move freely throughout America's inland lakes, rivers and waterways. The requirement that all the officers and fully 75% of the crews of vessels engaged in cabotage be U.S. citizens goes a long way to reducing the risk that terrorists could get onboard or execute an attack on a U.S. target. In effect, there is a system of self-policing that reduces the requirement for law enforcement and homeland security organizations to expend time and effort to ensure that these vessels and crews are safe to traverse U.S. waters. Were the Jones Act not in existence, the Department of Homeland Security would be confronted by the difficult and costly requirement of monitoring, regulating and overseeing foreign-controlled, foreigncrewed vessels in coastal and internal U.S. waters.

[Editor's Note: Daniel Goure is Vice President of the Lexington Institute, a non-partian public policy research organization based in Alexandria, Virginia.]

### Oakland votes to prohibit proposed coal export terminal

The Oakland City Council announced last month that they have voted to ban the transport and storage of large coal shipments in the city, a blow to a developer's plans to use the former Oakland Army base as an export terminal to ship coal to China and other overseas markets.

The terminal would have been the largest coal ship-

would release significantly more greenhouse gases than produced each year by all five oil refineries in the San Francisco Bay Area. And the report noted that Oakland was especially vulnerable to rising sea levels.

The ban is the second blow for the coal industry on the West Coast in recent weeks. In May, the United

ment facility on the West Coast, with a planned capacity to increase coal exports in the United States by 19%, according to the Sierra Club.

The proposed coal shipment facility was the topic of weeks of debate in front of the Oakland City Council centered on the trade-offs between jobs and environmental concerns. However, the debate also raised the larger question of how much a city should weigh the global environmental impacts of the commodities that flow through its ports. A report prepared by the city argued for a coal ban partly because the coal, once it was burned overseas, would contribute to climate change and rising sea levels.

"Oakland cannot afford to ignore the scientific evidence that clearly show the harmful effects and risk associated with coal," said Dan Kalb, a City Council member who proposed the ban along with the mayor, Libby Schaaf. "With this new law, we're taking the steps needed to protect our community, our workers and our planet."

The city's report calculated that the millions of tons of coal exported annually through the port of Oakland

States Army Corps of Engineers denied a permit for a coal terminal planned 90 miles north of Seattle on the grounds that it would endanger wildlife.

The coal would have been shipped from Utah and other western states to the Oakland Bulk and Oversized Terminal, at the old Oakland Army base site.

## Hapag-Lloyd reaches merger terms with UASC

The German container shipping line Hapag-Lloyd AG last month, said it has reached an agreement on terms and conditions of a business combination agreement with Dubai-based United Arab Shipping Company (UASC).

The deal, which would involve all shares of UASC being moved to Hapag-Lloyd, was approved by the Hapag-Lloyd supervisory board, it said in a statement. The merger still hinges on approval by both Hapag-Lloyd's anchor shareholders and the consent of UASC shareholders.

Plans for the deal were unveiled in April and it received backing by UASC shareholders in June.

# High levels of PTSD in hostages held by pirates

More than 3,000 seafarers have been held hostage by Somali pirates since 2001, and a significant, but unknown, number of seafarers have been kidnapped in other parts of the world. Around 40 are currently being held in captivity. A new report published by Oceans Beyond Piracy and One Earth Future, both programs of the One Earth Future Foundation, explores the long-term impact of piracy on seafarer and family recovery.

Key findings from the report include:

• Most seafarers who have been held hostage do not show lasting impairment in their mental or behavioral health, but 25% of former hostages have symptoms consistent with Post-Traumatic Stress Disorder (PTSD). These seafarers are at higher risk of having poor overall well-being, as well.

• Being held hostage, more than any other type of piracy experience, leads to lasting effects. Many seafarers are exposed to different types of threats from pirates, ranging from the tensions of transiting through the high-risk areas to actually being attacked. Only hostage experiences are related to a significantly increased risk of PTSD.

• Seafarers are exposed to a fairly high number and degree of traumatic experiences in the course of their regular employment. The maritime environment is dangerous, and seafarers are regularly exposed to traumatic experiences other than piracy. These experiences have an independent impact on post-traumatic stress symptoms and can negatively affect seafarer well-being.

• Traumatic experiences impact the decisions seafarers make about their work. Seafarers with higher levels of post-traumatic stress symptoms are more likely to think about piracy when taking contracts, and more likely to have declined a job due to piracy risk.

• Families of hostages can have problems getting information about their loved ones, and many suffer lasting distress. Less than 50% of family members of hostages feel that they had good information about what was happening to their seafarer, and more than 30% of spouses of seafarers report that they have no idea how they would get information if something bad happened while their seafarer was at sea. Many family members of hostages show lasting behavioral effects from their experiences.

The findings are based on a series of interviews and structured surveys collected from 465 seafarers in three major seafaring countries: India, the Philippines and Ukraine. These seafarers included 101 former hostages and 364 non-hostages, and also 38 family members of seafarers.

Most former hostages experienced multiple forms of abuse. To capture the rates of exposure to different kinds of abuse, the survey asked former hostages about what kinds of abuse they had suffered: Approximately 87% are threatened with death or execution; 80% given insufficient or inadequate food or water; 77% threatened with beating or abuse; 58% slapped, kicked or punched by pirates; 55% serious injury to other crew; 47% beaten with an implement, i.e. a rod, stick or gun; 39% ship used a "mother ship" for pirates to operate from; 36% being hung by tied hands or arms; 31% other forms of extreme physical abuse; 30% long periods of solitude; 27% death of other crew members; 25% serious injury to self; 20% forced to remain uncovered outside for extended periods; 9% hung overboard.

The report states that part of the response to maritime piracy should help seafarers prepare for potential exposure to pirate attack and cope with their experiences during and after the event. This should be an integrated response including pre-event planning and training and during event management as well as post-event support and care. Care for the families should also be an integral part of the response.

Post-event care should include social integration and support as well as targeted mental health support. All hostages will benefit from the former, and a minority will need the latter. Programs designed to mitigate the long-term impact of piracy should also support resilience in the face of other traumatic maritime events.

In practice, addressing these issues will require a coordinated effort from seafarer support organizations, industry and states, says the report. This will require a corresponding increase in appreciation for the breadth and depth of the impact of piracy and other traumas on the seafarer population. However, the research also demonstrated that seafarers are a resilient community and suggests that with the development of more robust systems for support, this resilience can be reinforced.





USNS Gordon in Baltimore last month: From the left: OS Brian Eaton, Bosun Philip Corsano-Leopizzi, and SUP Delegate AB Jeffrey Titco.

#### Millions of shipwrecks on ocean floor

#### By Maxwell L. Anderson

The United Nations Educational, Scientific and Cultural Organization (UNESCO) estimates that there are some three million shipwrecks scattered across the ocean floor. This means, there is a vast trove of archaeological material awaiting discovery, all of it, fortunately, safe from destruction or theft by the criminal factions now operating on land.

The technology needed for deep-sea exploration is advancing rapidly. What once seemed like science fiction will soon become a reality, with exploratory probes not only transmitting images but operating retrieval devices equipped to reveal artifacts and move them to the surface. Archaeologists have also begun using DNA analysis on wrecks in the Mediterranean, yielding information ranging from what onboard bowls once contained to the home port of the sunken ship.

But only a tiny fraction of this material has been explored. For example, of the *Archaeological Institute of America's Fieldwork Opportunities Bulletin* listings in Italy, only three involve underwater archaeology. And this in the nation estimated to have among the highest concentrations of archaeological sites in the world.

If discovered relatively undisturbed, shipwrecks offer a tantalizing opportunity for archaeologists. They can yield remarkably detailed information about both the cargo and the presumed origins and destination of the vessel. They can also provide extraordinary insight into the geopolitics, economies and artistic inclinations of any given period of the ancient world. Archaeologists follow a rigorous set of procedures not just to retrieve objects but to preserve whatever information about them the site itself can disclose.

In recent decades, a cottage industry of private exploration companies has emerged, lured by the promise of gold bullion and coins known to be in wrecks of trading vessels from the 16th century onward. Many of these are clustered along the eastern coastlines of North and South America. Such expeditions are rarer in bodies of water frequented in antiquity owing to our lack of information about lost treasure. But given the rate of progress in detecting and evaluating the contents of sunken vessels, we will doubtless soon see an increase in the pursuit of ancient shipwrecks.

But here lies the problem: The 1982 United Nations Convention on the Law of the Sea stipulates that international waters begin 13.8 miles (22.2 kilometers or 12 nautical miles) from a country's coastal low water mark-making any shipwreck found more than 12 nautical miles offshore subject to its provisions, not the laws of the neighboring country. UNESCO's 2001 Convention on the Protection of the Underwater Cultural Heritage, which seeks to offer protection for shipwrecks, has not been ratified by many countries with longstanding seafaring heritage nor by the majority of those countries with significant art markets. Given the vast quantity of presumed shipwrecks in international waters, we face nothing short of a cultural calamity if

# Captain acquitted of failure to report crime

An Italian court has convicted a cruise ship crewmember of sexual assault – and has acquitted the vessel's captain of charges of "fraudulent misrepresentation and failure to report" for failing to tell the Italian Coast Guard about the incident, and for stating in a report that there was no "extraordinary event" during the voyage.

The incident occurred three years ago on a cruise between Istanbul and Dubrovnik. The court found that the crewmember, Floriano Fernandes, attempted to sexually assault a 17-year-old girl in one of the ship's heads. She repelled the attack.

The prosecutors alleged that the master, Captain Ignatius Giardinia, had misdirected authorities. Giardinia is a 36-year veteran of the industry, and worked his way up from cadet to captain over three decades with the same cruise line; he is still listed as a master on the firm's website.

The captain's attorney successfully argued that in Giardinia's understanding, an "extraordinary event" had meant a marine casualty in the traditional sense – a collision, allision, fire or other reportable incident – and that he had not intended to omit the complaint of sexual assault. Captain Giardinia was acquitted of all charges.

Fernandes was convicted of the attempted rape, and Judge Irene Casol sentenced him to ten months imprisonment.

private salvage operations are allowed to go forward unabated.

The high cost of thorough undersea archaeological expeditions inside a nation's territorial waters is prompting some countries to enter into partnerships with commercial concerns. This raises vexing questions about sacrifices of scientific thoroughness in ex-change for expediency.

In one case in the late 1990s, the Indonesian government contracted to split with Seabed Explorations any trove of artifacts that company discovered when it excavated what became known as the Belitung shipwreck, a ninth-century Arabian dhow that sank off the coast of Belitung Island in the Java Sea. The craft was presumably en route home to the Middle East from China because its contents included a massive haul of some 60,000 artifacts dating to the Tang dynasty, ranging from gold, silver and ceramic vessels to luxury and funerary objects. Multiple archaeologists subsequently protested that the speed of the commercial recovery and lack of qualified experts had failed to meet standards of best practice in excavation techniques resulting in a serious loss of the facts and context of the artifacts.

While the intentional looting and destruction of land-based sites is in the headlines today, another looming challenge to those seeking to safeguard the past awaits us underwater. And a fresh look at international accords governing the Law of the Sea as well as national laws is urgently needed.

Mr. Anderson is a research affiliate for Princeton University's Center for Arts and Cultural Policy Studies. This article is adapted from his forthcoming book, "Antiquities: What Everyone Needs to Know" (Oxford University Press). This article was originally published in the July 12, Wall Street Journal.

## Conrad and the Craft: Sea Stories for Real Sailors (Part 2)

by Colin Dewey SUP Book #2741, Assistant Professor of English, Department of Culture and Communication, California State University Maritime Academy

n the first part of this essay, I talked about craft: Joseph Conrad's somewhat mysterious term describing the ability good mariners have to dip into a common pool of knowledge, experience, and technique, and through a combination of superior ethical and almost spiritual sensibility, perform their duties to the utmost. Margaret Cohen's analysis of sailors' treatises and voyage tales and her revision of the term "compleat mariner" led me to try to adapt her analysis to the complicated issues facing seafarers today. In The Novel and the Sea (University of Princeton Press, 2010), Cohen examines Conrad's novel Lord Jim and novella Typhoon, and I follow her example here, even reading some of the same passages, although I arrive at somewhat different conclusions.

Throughout her study, Cohen notices the problem of developing the ethical judgment and creative intelligence as well as comprehensive skills required of the mariner's craft. She demonstrates how this difficulty also preoccupies Joseph Conrad's fiction. In his 1900 novel Lord Jim, young Jim attends a "training-ship for officers of the mercantile marine," likely meant to be the famous Conway, anchored in the river Mersey near Liverpool from 1859. The Conway trained generations of English officers, but it was not the training that the immigrant Jozef Korzeniowski received "through the hawsepipe." The Conway may have represented for Conrad precisely the book and exam, skill based - competency training that by itself fails to instill the mariner's craft.

Like many maritime academy cadets, Jim learned "a little trigonometry and how to cross top-gallant yards [ ... ] He had the third place in navigation and pulled stroke in the first cutter." Showing adequate, but not stellar, performance as a cadet, Jim nevertheless loved to daydream about the brilliant and heroic career stretching out ahead of him, as he read about it in "the sealife of light literature" - adventure stories for boys. However, when he is actually put to the test, Jim falters. As a cadet, he arrives on deck too late to man the ship's longboat rushing to rescue a sailor from the stormy river, and misses his chance at early glory. Later, Jim is injured in an accident aboard ship, and sits out months in an outport hospital bed, cursing his luck and imagining how things might have been.

Most notoriously, as a mate on the overloaded and ill-fated SS Patna, Jim freezes at the crucial moment. Convinced that the ship is sinking but unable to decisively choose between rousing the passengers or slipping away with the dastardly and dishonorable officers to save himself, Jim – literally and figuratively – falls. Suddenly finding himself almost accidentally in the lifeboat he abandons his passengers, and profession, without even meaning to do so. For Jim, at least, schoolboy desire and academy training made him technically competent, but did not produce the elusive mariner's craft. Conrad's narrator, Marlow, spends years sounding the mystery of Jim's failure and finds the answer in Jim's lack of understanding the real nature of his calling: After two years of training he went to sea, and entering the regions so well known to his imagination, found them strangely barren of adventure. He made many voyages. He knew the magic monotony of existence between sky and water: he had to bear the criticism of men, the exactions of the sea, and the prosaic severity of the daily task that gives bread – but whose only reward is in the perfect love of the work. This reward eluded him.

"The perfect love of the work" speaks to something other than occupational competence: more than knowing how to perform tasks, even more than performing them well. Margaret Cohen dives far more deeply into the historical basis for craft than I have room to cover here, but her analysis is something like this: at its best, craft is the independent ability to plan thoroughly, to accurately assess difficult, seemingly impossible, situations, and to draw on generations of lore and tradition; but also to recalculate and creatively improvise with fluidity and confidence without being bound to past practice. When Marlow tries to describe it in Lord Jim, he can't seem to put this finger on it: "the solidarity of the craft," he says, is all that distinguishes and legitimizes "an obscure body of men held together by a community of inglorious toil and by fidelity to a certain standard of conduct." Craft, it seems, is less an objective measure of competence and more a way of thinking and being: as Cohen puts it, an ethos, a Greek word meaning character, used to describe the guiding beliefs or ideals that characterize a community, nation, or ideology; here it is both a "practical necessity for oceangoing survival" and a "cultural myth."

Can sailors or marine educators meet the task of becoming (or producing) the "compleat mariner" who perfectly performs this craft? As "cultural myth" it sounds like something rare and accidental, like a religious calling or sainthood, and even Marlow can't quite point to a living example of the ideal: even the "super-sailor" Captain Brierly seems to fall short, disappearing over the side of his ship after hearing testimony in Jim's trial following the Patna incident. Yet Conrad was clear in his criticism of Jim and his approval of Marlow: although none of his characters are without flaws, the competent mate - but utter failure - Jim imagines himself a hero of maritime adventure but never achieves the comprehensive understanding of his duty and profession - and its significance - that Marlow calls the "perfect love of the work."

However, the "excellence in action" of craft does not mean perfection, as Brierly's example shows. We've all known good and bad captains, happy ships and good gangs of shipmates as well as the other kind. Captain MacWhirr, of the SS Nan-Shan, in Conrad's novella Typhoon (1902), is almost comically imperfect: unimaginative and block-headed, at least according to his young, ambitious mate. Jukes, who dreams of liners and who narrates the story. To MacWhirr, new technology: instruments and books containing scientific instructions for avoiding the most dangerous quadrant of a storm, is an imposition on his methodical and habitual method of command. MacWhirr seems like the antithesis of improvisational creativity and innovation, and that's how he is usually read; but to me, his humble, dogged, attention to duty presents an example of achievable excellence and humanity.

out-of-the-way run in such an antiquated ship. To him, MacWhirr's unflappable calm as the Nan-Shan battles the typhoon seems like madness. But by the end of the storm, the old captain is vindicated: MacWhirr, who despite appearances could read the barometer as well as any man, says simply that he "always knew" the Nan-Shan would make it out all right. Where the new mate is appalled by the captain's apparent lack of concern, sneering, "I think that he got out of it very well for a such a stupid man," the old captain gives Jukes this advice: "Don't you be put out by anything. Keep her facing it. They may say what they like, but the heaviest seas run with the wind. Facing it – always facing it – that's the way to get through. You are a young sailor. Face it. That's enough for any man."

Silly, humble MacWhirr exhibits a levelheaded competence during the storm akin to what aviators call *deliberate calm*, and is said to "always have a happy and contented ship." Jukes can't see it until the very end when MacWhirr comes up with a pragmatic solution to a seemingly irresolvable and potentially explosive issue requiring sensitive management of passengers and cargo. MacWhirr isn't stupid, and he isn't heroic; he knows his ship and he knows his duty. Perhaps paradoxically, in his apparent ignorance he shows "perfect love of the work."

We can't legislate, regulate, or even list the competencies comprising the "perfect mariner" but we should work to understand the historical and global significance of our calling and jealously defend our "standard of conduct." Perhaps the most difficult thing for a mariner to grasp is the necessity for a certain level of resilience, if not comfort, in the face of less than perfect information. We're always only guessing: where we are, where we're going, who our shipmates are – sometimes even what the cargo is. Our bridge technology, automation, and regulatory regimes try to reduce the radical uncertainty of the sea, but it is practically impossible, and certainly dangerous, for us to be lulled thus into a false sense of security.

Where Marlow went wrong - but where we as careful readers can get it right - was in obsessively seeking a specific answer to Jim's fall, and thereby presuming the failure of the mariner's craft. We are not perfect individuals, but we should strive to be knowledgeable, careful, alert and aware people "held together by a community of inglorious toil and by fidelity to a certain standard of conduct." Let us have a craft of intelligent men and women, to paraphrase Xaver H. Leder's challenge in the 1887 Coast Seaman's Journal: "Let us read, let us discuss, let us educate ourselves; let the results of our education be sent broadcast across the ocean." We can educate our people to be technically proficient, but we must recognize proficiency as one element in a far more elusive competence that embraces the full intellectual, psychological, and ethical capacities required of the complete mariner's craft.

### Gunmen kidnap three Indonesians off Malaysia

Gunmen kidnapped three Indonesian members of a tugboat crew off Malaysia's eastern state of Sabah, police said this month, the latest in a string of abductions in a region noted for kidnappings by Islamist militants. It was not immediately clear whether the men were seized by Abu Sayyaf, a group linked to Islamic State that is responsible for recent beheadings of Western hostages and notorious for the extortion of millions of dollars in ransoms.

The tugboat, with a crew of seven, was in waters off the east coast of Sabah on Borneo island, about 3.6 nautical miles from a nearby Kampung Sinakut beach, Sabah police commissioner Abdul Rashid Harun said, when it was attacked by armed men in a white boat late on July 9. He said that based on early investigations, the three men kidnapped were 34-year-old Lorens Koten, 40-year-old Teo Dores Kopong and a 46-year-old identified only as Emanuel.

Abdul Rashid said they are likely to be in the southern Philippines now but did not elaborate. Four other crew members were left behind by the kidnappers who came in a speedboat. "Victims released also said while the kidnappers were on their tugboat for nearly 30 minutes, no violence took place," he told reporters at a press conference in Lahad Datu.

The five abductors were armed with rifles and also had a grenade launcher, the police added. The Abu Sayyaf militant group has beheaded two Canadian nationals recently after its ransom deadlines expired. It is still holding men from Japan, the Netherlands and Norway.

Jukes, through whose eyes and prejudices the story is told, is a proponent of the latest and newest of everything, and he feels slighted by having to sail on a dull,



Selfie shot of USNS Waters crew during a man-overboard drill. From left to right OS Adam Gonzalez, OS Rogelio Timoteo, AB Noel Romero, and Bosun Sam Worth.

### **ESU Office** Assignments

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



Official Publication of the Exxon Seamen's Union

## Jones F. Devlin Awards Third quarter 2016 lump sum



Representing SeaRiver Maritime Inc, at the awards ceremony from left to right standing: Leo DeCastro, Lesa Green, Kelly Baughman and Andrew Bercovici. Left to right sitting: Bill Schaefer, Wendy Morrison, Captain John Haw, Lori MacDonald.

The Chamber Shipping of America representing the U.S. maritime industry publicly recognized the women and men responsible for safe ship operations at the Annual Safety Awards Luncheon held at the Hilton New Orleans Riverside Hotel on June 8. Nearly 200 people, representing 80 companies, attended the annual industry-sponsored event.

An award was presented to the S/R American Progress, recognizing the seagoing employees of SeaRiver Maritime for their dedication to a safe working environment. This award was given to the vessel for operating 18 years without a seafarer involved in a lost time injury.

Kathy Metcalf, CSA President said: "CSA's involvement in safety is longstanding. We continue to represent the industry, domestically and internationally, on safety issues encompassing every facet of ship operations". It is, therefore, only fitting that an industry so focused on safety, publicly recognizes the skills and dedication of the women and men who are responsible for actions in keeping with the highest traditions of the sea."

The Chamber of Shipping of America represents 35 U.S. based companies that own, operate or charter oceangoing tankers, container ships, and other merchant vessels engaged in both the domestic and international trades and other entities that maintain a commercial interest in the operation of such oceangoing vessels.

### Ship reports

#### S/R American Progress

ESU board officer Leo DeCastro visited the vessel at ExxonMobil Baytown

# pension rate dips to 2.50%

ExxonMobil benefits recently announced that the third quarter interest rate for lump sum pension calculations will be decreasing to 2.50% for the period of July 1-September 30, 2016. This is a .25% reduction from the second quarter rate of 2.75%. If you are considering retirement and plan to take a lump sum pension, a higher lump sum interest rate will generally yield a lower lump sum value. Conversely, a lower lump sum interest rate will generally yield a higher lump sum value.

The ESU recommends that everyone that is eligible, or soon to be eligible to retire from the Company, consider attending a pre-retirement planning seminar that is offered by ExxonMobil. Other available retirement information is offered by the Company through Ernst and Young that includes retirement and financial planning and on-line financial planning tools at E&Y Financial Planner Web Site. These services are provided at no cost to U.S. employees and offer objective analysis and assistance from experienced financial planners. They will discuss all of your options with you and help you decide what makes the most sense for you. All members are encouraged to take advantage of the Financial Fitness Program. Ernst & Young Financial Planners can be reached at 866-966-1337.

If you are interested in attending retirement seminar and know the session you wish to attend, you should then notify Helen Wright at 832-624-7759 for enrollment. If you do not have a list of dates for 2016, please contact the ESU office.



### **AB Reynaldo Palisoc retires**

Able Seaman Reynaldo Palisoc has elected to retire effective July 15, with over 15 years of Company service. Reynaldo began his career with SeaRiver Maritime, Inc. in September of 2000 in the Deck department as a Maintenance Seamen aboard the SR Baytown. In 2005 he got his Able Seamen endorsement and was promoted to the AB position in November 2014.

During his career Reynaldo was always a good union supporter and shipmate, his last tour was on the Eagle Bay, where the crew honored his accomplishment and contributions with a traditional shipboard retirement ceremony (picture

Refinery, Texas, on July 11. The vessel was loading gasoline and diesel cargoes, with discharge ports in Tampa and Port Everglades, Florida. Regular Ship Representative AB Mike Harrison on board and reporting everything is going well. The vessel completed the USCG COI and the annual ABS audits at the Galveston anchorage. The next three trips look like Baytown to Florida.

#### Eagle Bay

Vessel is slated for one more trip to load in Valdez and then discharge in the San Francisco Bay Area. The vessel will then head out to sea for tank cleaning and then proceed to Vigor shipyard in Portland, Oregon, for the one-year warranty work inspections. It is expected to be in the shipyard around three weeks.

Regular Ship Representative AB Thor Floreen aboard and reports everything going smoothly, with the gang getting ready for the busy time ahead.

#### Liberty Bay

ESU Board officer Leo DeCastro visited the vessel in Long Beach, California, on July 21. Recently, the vessel safely completed its first lighter at PAL (Pacific Area Lightering) offshore San Diego. The Liberty is scheduled to continue on the Valdez, Alaska, to Long Beach run for the next couple trips. QMED Eric Bush filling in as Ship Representative and staying in touch with the ESU office and reports everything running smoothly.

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

above). Ray reflected on his career and through the years with the company all the friendships and camaraderies he was part off, which he will truly miss in retirement. Ray retirement plans include spending time between his homeland the Philippines and his home in Los Angeles, California. The Exxon Seamen's Union would like to express its sincerest thanks to Reynaldo for his support to the ESU throughout his career and wishes him fair winds and following seas and the best of luck in his retirement years.

#### EXXON SEAMEN'S UNION

Founded March 28, 1941 Affiliated with the Sailors' Union of the Pacific

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Vice President/Treasurer Leo DeCastro Board Member at Large Don Picou **Board Member at Large Ein Cooley** 

**Deck Trustee Jeffrey Harris Engine Trustee William Ackley Steward Trustee Joel Mitchell** 

### Is watermelon good for you?

Watermelon is rich in nutrients - including vitamins A and C, B vitamins and potassium - but where it really packs a punch is with lycopene, the antioxidant pigment that gives the fruit its deep red color. Some studies suggest that lycopene may have cardiovascular benefits, including reducing the risk of stroke, and eating watermelon may slightly lower blood pressure. Researchers have also looked at lycopene's possible role in-protecting against various cancers, though evidence is scant.

You can get lycopene from tomatoes, particularly cooked and stewed tomatoes, but "on a fresh basis, you can't do better than watermelon," said Penelope Perkins-Veazie, a professor at North Carolina State University in Raleigh who has studied lycopene and is an unpaid science adviser to the National Watermelon Promotion Board. Red watermelon has more lycopene than other watermelon varieties, and "seedless watermelon tends to have more," she said.

Lycopene from watermelon is also easily absorbed into the body. In one small study, researchers gave volunteers lycopene from tomato juice and from watermelon; the tomato juice had received heat treatments to boost absorption. The groups had similar blood levels of lycopene.

Though watermelon doesn't have as much fiber as many other fruits and vegetables, it is fat-free, contains a lot of water and is low in calories, with about 45 calories in a one-cup serving.

Many people worry about the amount of sugar in watermelon, but "that's a bit of a misconception, because the sugar content is actually lower than some other fruits, gram for gram," said Jennifer McDaniel, a registered dietitian and spokeswoman for the Academy of Nutrition and Dietetics. While a cup of diced watermelon has about nine grams of sugar, a medium banana contains 14 to 15 grams of sugar, as does a cup of blueberries.

And while watermelon has a high glycemic index, a measure of a food's ability to raise blood sugar levels, that also adds to the confusion. In fact, its high water content gives it a low glycemic load, meaning it does not raise blood sugar levels quickly in amounts typically eaten.



Remembering Bloody Thursday, July 5, standing in front of ILWU Local 10 in San Francisco; from left: SUP member Mike Smith, San Francisco Business Agent Roy Tufono, AFSS Instructor Dave Larsen, and SUP member Paul Fuentes. Photo taken by Dave Connolly.

Editor's Note: To receive the West Coast Sailors via first-class mail it's \$25 per year U.S. mail; \$50 per year international.

### Welfare Notes July 2016

#### Kaiser Prescription Drug Copayment **Reimbursement Procedures**

All prescription copayment receipts submitted to the Welfare Plan for reimbursement must indicate the name of the patient. Due to patient privacy considerations, Kaiser has discontinued providing this information on prescription receipts without authorization from the Plan participant. Therefore, when SUP Members pickup prescriptions from Kaiser they should request and complete a form entitled "Authorization for Use and Disclosure of Pharmacy Information." With this information on file, Kaiser will provide the Plan participant with a detailed print-out of prescriptions purchased which includes all the information necessary for the Plan Office to process the participant's claim for copay reimbursements.

#### **Pensioners Annual Allowance**

The fiscal year for the Pensioners Annual Allowance runs from August 1st through July 31, of the following year.

The maximum reimbursable totals for the fiscal year are \$3,000.00 for medical premiums, \$1,000.00 for prescription drugs, and \$1,000.00 for "other" expenses including medical, dental, and vision expenses. As an example, \$300.00 in medical expenses, \$500.00 in dental expenses, and \$200.00 in vision expenses would total the \$1,000.00 maximum allowed for "other" expenses.

A medical, dental, or vision expense is considered to be incurred on the date you receive treatment or the date of the visit giving rise to the expense. For prescription drugs, the incurred date is the date you paid for the prescription drug. For medical premiums, the expense is incurred on the due date for the premium being paid, not the date of your premium payment.

Claims for reimbursement must be submitted to the Plan office within 90 days of the date charges were incurred or within 90 days of Medicare's processing of the claim. The patient's name, dates of service, a description of the services, and the amounts charged for services must be indicated by the provider of services on the statement submitted for reimbursement.

Michelle Chang, Administrator mcsupsiupd@sbcglobal.net Patty Martin MPP & 401(k) Plans, Death Benefits martinpatty59@sbcglobal.net Virginia Briggs Claims vbriggs80@sbcglobal.net Michael Jacyna Eligibility mjacyna67@sbcglobal.net Training Representative Berit Eriksson 206-551-1870 berittrainrep@sbcglobal.net SUP Welfare Plan 730 Harrison Street, #415 San Francisco, CA 94107 Phone Numbers: 415-778-5490 or 1-800-796-8003 Fax: 415-778-5495 SIU-PD Pension 415-764-4987 SIU-PD Supplemental Benefits 415-764-4991 Seafarers Medical Center 415-392-3611

### Membership and Ratings Committee

Met on July 7, 2016, and found the following members eligible for advancement in seniority and rating stamps in the various departments:

Name and Membership Number		Seatime	Rating	Seniority
Robert Lee	19455	1 Year	O.S.	В
Michael Weber	19456	1 Year	O.S.	В
Jose Ysern	19457	1 Year	O.S.	В
Jonathan Eitz	19458	1 Year	A.B.	В
Henry Andreason	C-2600	30 Days	A.B.	С
Alsinai Abdulgabar	C-2601	30 Days	O.S.	С
Clarence Cumay-ao	C-2602	30 Days	O.S.	С
Manjula Kondapperuma	C-2603	30 Days	A.B.	С
James O'Hare	C-2604	30 Days	A.B.	С
Philip Corsano-Leopizzi	C-2605	30 Days	A.B.	С
Isiah Stafford	C-2606	30 Days	O.S.	С
Lee Bolden	C-2607	30 Days	A.B.	С
Amiel Arcales	C-2608	30 Days	A.B.	С
Cole McKisson	C-2609	30 Days	O.S.	С
Joseph Day	C-2610	30 Days	A.B.	С
Terry Carter	C-2611	30 Days	O.S.	С
Christopher Auer	C-2612	30 Days	A.B.	С
Anthony Wylie	C-2613	30 Days	O.S.	С
Jonathan Escala	C-2614	30 Days	A.B.	С
Bosun Stamn - None				

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Bosun Stamp - None

Membership and Ratings Committee's Report: M/S to concur in the Committee's eport. Carried unanimously. Membership and Ratings Committee: Paul Fuentes #2239, Frank Portanier #3835, and John Linderman #4094.

#### Page 9

### Tax dodging on the high seas USCG: Top five cruise ship deficiencies

By Gail Collins

Let's criticize cruise ships.

I know, I know. Things are bad enough without going negative about your summer vacation. But we've got some problems here. Plus, I promise there will be a penguin.

The cruise industry seems to be exploding – the newest generation of ships can carry more than 5,000 passengers. They make a great deal of profit from the sale of alcohol, so imagine the equivalent of a small city whose inhabitants are perpetually drunk.

Really, these things are so huge, it's amazing they can stay afloat without toppling over. And when one is parked outside, say, Venice, the effect is like one of those alien-invasion movies, when people wake up and find that a spaceship the size of Toledo has landed downtown. (Venetians also claim the ships are causing waves in their canals.) Environmentalists wring their hands over the air pollution and sewage – a 3,000-passenger ship, which today would rank as medium-size, produces 21,000 gallons of sewage a day, sometimes treated and sometimes not so much. But always pumped into the sea.

And, as long as we're complaining, let's point out that noise from the ships is messing with the whales. Michael Jasny of the Natural Resources Defense Council says cruises en route to Alaska "routinely drown out the calls of the endangered orcas" trying to communicate. The NRDC has a new film, "Sonic Sea" that features audio of a whale conversation being obliterated by an approaching cruise ship. The effect is sort of like what you'd experience if you were having a meaningful chat with friends on the patio and a trailer-tractor full of disco dancers suddenly drove into the backyard.

Thanks to global warming, cruise lines will soon be able to sail the Northwest Passage, so the Arctic will have both more melting ice and more 13-deck ships. Antarctica hosted 30,000 visitors last year. Doesn't that seem like a lot for such a fragile place? Also, an opera singer who was entertaining passengers on one cruise went ashore to sing "O Sole Mio" and caused a penguin stampede. This is not really a problem you need to worry about, but it was a pretty interesting moment.

While many of the biggest cruise lines appear to be headquartered in Florida, they are, for tax purposes, actually proud residents of ... elsewhere. "Carnival is a Panamanian corporation; Royal Caribbean is Liberian," said Ross Klein, who tracks the industry through his Cruise Junkie website.

Although, of course, if one of the ships needs help, it will often be the American taxpayer-funded Coast Guard that comes to the rescue. The Coast Guard doesn't charge for its services, a spokesman said, because "we don't want people to hesitate" to summon help when passengers are in danger. This attitude is commendable. But the no-taxes part is not.

"Cruise lines do pay taxes," protested a spokesman for the industry, counting off a number of levies for things like customs, and examination of animals and plants being brought into the country. Not the same thing.

We're constantly hearing complaints in Congress about American companies that relocate their headquarters overseas for tax avoidance. But when do you hear anybody mentioning the cruise industry's Panamanian connection? The cruise companies may not really live here, but they certainly can lobby here.

"Powerful is an understatement," said Senator Richard Blumenthal of Connecticut. He's the sponsor of a bill that would increase consumer protection for cruise passengers. The bill, which can't even get a committee hearing, would also require the ships to have up-to-date technology that detects when passengers fall overboard. Now this would seem like something you'd expect them to have around.

An average of about 20 people fall off cruise ships every year, which the industry points out is only about one in a million travelers. But still, I suspect that passengers work under the assumption that if they do somehow wind up in the water, someone will *notice*. This spring, a 33-year-old American woman disappeared during a cruise in the Gulf of Mexico. No one realized she was gone for 10 hours, and by the time searchers could start looking for her; the area they needed to cover was more than 4,000 square miles. While it's the least thing anyone worries about when a person is missing at sea, let us point out once again that it was the taxpayer-funded Coast Guard doing the searching.

The cruise industry says the overboard technology hasn't been perfected. Blumenthal says it's been well tested. Seems like the sort of disagreement that would be easy to resolve with ... a committee hearing.

Most cruise vacationers seem to enjoy their experience – the industry says nearly

The Coast Guard's Cruise Ship National Center of Expertise (CSNCOE) has published its spring newsletter highlighting its latest list of the top five deficiencies found on cruise vessels.

The deficiencies listed are:

• Fire screen doors not operating properly;

• Impeding means of escape- Corridors, doors and hatches in areas designated as escape routes were found to be either partially or completely blocked. Doors in some instances were locked, without the ability to defeat the lock, preventing passage in the direction of escape;

• Water tight doors were found with missing portions of gaskets, hydraulic oil leaking, inoperable audible alarm, or the means of indication that show at all remote operating positions were found to be in a fault condition;

• Fire suppression systems were found to be deficient. Sprinkler heads/water mist nozzles were found painted over, damaged, or completely missing. Other issues included failed couplings;

• Improper utilization of categorized spaces— There were several deficiencies issued regarding improper use of spaces. Space is at a premium on cruise ships. Because of this, sometimes crews store combustible materials in spaces that do not have the adequate fire protection and suppression systems in the event of a fire.

CSNCOE notes that the industry as a whole has improved to the point where it was no longer necessary to include a top 10 list as the remaining issues were identified so infrequently that they didn't warrant inclusion. In calendar year 2015 the Coast Guard reported 205 vessel detentions to the IMO. In that time, the Coast Guard conducted 259 cruise ship examinations and only 1.6% received a detention. "This low percentage shows that there is a strong safety culture in the cruise line industry, stated CSNCOE. This list highlights cases where deficiencies led to the detentions:

• Inoperability of the oil filtering equipment, the three-way valve did not operate when the oil content reached and/ or exceeded 15PPM;

• A ship's officer did not have a valid certificate endorsement from the flag state administration;

• Ship was not manned in compliance with the applicable safe manning requirements of the Administration. A ship's officer was not certified to serve onboard the type of ship;

• The engineering space deck plates were slippery, surfaces were coated with an oily layer, and all bilges had a one inch thick layer of oil;

• Fire hoses were found rotted and inoperable;

• The vessel was not following their fire control plan by stowing random items in spaces throughout the ship, and installing cooking equipment in berthing and accommodation spaces;

• Multiple exhaust dampers were wasted and did not close properly;

• The deep fryer did not have a fixed fire extinguishing system; and

• Rescue boat hull had severe pitting, corrosion and wastage, allowing water intrusion.

### **300-year-old ship from voyage of La Salle restored**

Conservators and students at Texas A&M University have finally finished a two-decade effort to restore the wreck of *La Belle*, a French sailing vessel which grounded and sank in Matagorda Bay over 300 years ago.

Dr. Peter Fix, a conservator with the university's Conservation Research Laboratory, managed the project from early stages to completion. "It's been exciting, a huge headache and a huge frustration at times, but I love old ships and in particular this one," said Fix.

La Belle was one of four ships (with Le Joly, L'Aimable and St. Francois) in Robert de La Salle's ill-fated expedition of 1684. La Salle already had a successful career as an explorer: he had completed a phenomenal effort to survey the Upper Great Lakes and the Mississippi, traveling down river by canoe to what would become Louisiana. On his return to Europe, La Salle received royal backing for a new mission to the mouth of the Mississippi, and he departed France with his small fleet and 300 settlers. It did not proceed as planned: Spanish pirates seized the St. Francois while under way; the navigators found Texas rather than the Mississippi; the L'Aimable ran aground at Pass Cavallo, Matagorda Bay and broke up, with the loss of most of the colony's supplies; Le Joly returned to France with 120 aboard; and the La Belle went aground off Matagorda Island the next year, leaving the remaining party stranded in the New

90% declare themselves satisfied. It's not our business to get in between anybody and an ocean breeze. Our requests are modest, really: Make the cruise ship companies that are, for all practical purposes, American, pay American taxes. Leave the whales alone. Give that bill a committee hearing. And stop scaring the penguins.

[Editor's Note: This article was published in the New York Times, June 25, 2016.]

### CMA CGM completes acquisition of NOL

CMA CGM's (Compagnie Maritime d'Affretment-Compagnie General Maritime) voluntary unconditional general offer to buy Neptune Orient Lines (NOL) has closed on July 18. The French carrier now owns 97.83% (2,547,264,348 shares) of the Singapore-based container line.

The Singapore Exchange Securities Trading has suspended trading of NOL's share and CMA CGM said in a statement it does not intend to take steps to lift the suspension.

The carrier intends to exercise its rights to compulsorily acquire the remaining 2.17% of NOL's shares, for which CMA CGM will offer a price of (Singapore) \$1.30 per share "as soon as practicable".

Once the buy-out is complete, NOL and its container arm APL, will become a wholly-owned subsidiary of CMA CGM and will be delisted for the Singapore Exchange. World. Almost all perished.

As the party had intended to explore the lower Mississippi, the 50-foot *La Belle* was designed with a shallow draft for coastal and riverine waters. "La Salle used the ship as a floating warehouse," said Fix. "When excavated, the archaeological site was found full of merchandise . . . knives, axe heads, pottery, tiny glass beads, bottles and brass pins . . . clothing, combs, and even a signet ring were found, and also weaponry such as long guns, lead shot, sword parts and three bronze cannons, which were extraordinarily well preserved."

The Texas Historical Commission found the wreck in the mid-1990s, and undertook a nine-month excavation and recovery of some 1.6 million individual items and components. *La Belle* herself is the most significant of these, and 125 people worked on her over a period of 17 years to bring the wreck back to a well-preserved, presentable whole.

*"La Belle's* timbers had become waterlogged and heavily degraded during the 300year immersion in Matagorda Bay," said Fix, and they had to be slowly dehydrated by freeze-drying in order to avoid distortion.

By treaty, *La Belle* and her associated artifacts are technically owned by France. Fix says, but Texas A&M has been permitted to retain them indefinitely.

"Unions are keeping the barbarians at the gates. These guys on the right know that without Unions, they'll call every shot." *Vice President Joe Biden* 



# **SUP President's Report**

July 11, 2016

#### SUP WELFARE PLAN

For the past few years, your secretary has reported on the cost of health care premiums for participating members paid by the SUP Welfare Plan from contributions negotiated with APL, American Ship Management, Foss, Matson, Patriot Contract Services, and the San Francisco Bar Pilots so that the membership is aware of the cost associated with this benefit.

These reports follow the June SUP Welfare Plan Board of Trustees meetings when Plan Consultant Kirsten Shaffer submits the premium costs she has negotiated with health care providers for Trustee approval.

The new rates agreed to at the June 15, meeting are as follows:

**Kaiser Southern California**: Premium rates decreased by 0.1% effective July 1. The rate for a single participant decreased from \$546.73 to \$546.17 per month. For married participants without children, the rate decreased from \$1,093.47 to \$1,092.35. For married participants with children, the rate decreased from \$1,547.25 to \$1,545.27. The Southern California Kaiser renewal rates equate to an approximate \$1,200 annual decrease in premiums for those enrolled in that HMO.

**Kaiser Northern California**: Premium rates decreased by 5% effective July 1. The rate for a single participant decreased from \$741.66 to \$704.58; \$1,483.32 to \$1,409.16 for married participants; and \$2,098.90 to \$1,993.96 for married participants with children. The Northern California Kaiser renewal represents a reduction in annual premiums of \$98,400 based on the current enrollment.

**Kaiser Hawai'i**: Unlike the Kaiser plans in California, the premium rates in Hawai'i increased 11% effective July 1. The rate for a single participant increases from \$630.66 to \$700.15 per month; from \$1,261.33 to \$1,400.30 for married participants; and from \$1,891.99 to \$2,100.45 for married participants with children. The total premium increases for the Kaiser Hawai'i medical and dental plan totals \$78,000 based on current enrollment.

**Group Health Cooperative**: Premium rates increased by 5% effective July 1. The rate for a single participant increases from \$599.99 to \$629.74 per month; for married participants from \$1,120.43 to \$1,175.97; and for married participants with children from \$1,876.09 to \$1,969.10. The Group Health Cooperative renewal represents an annual increase in premiums of \$38,400 for those enrolled.

**Health Net (HMO)**: An increase of 1.44% effective August 1. For a single participant an increase from \$1,037.87 to \$1,052.85; for a married participant an increase from \$2,075.78 to \$2,105.74; and for married participants with children from \$3,009.96 to \$3,053.10. The cost of the increase totals \$16,800.

**Health Net PPO (California)**: An increase of 9.5% effective August 1. For a single participant an increase from \$1,454.09 to \$1,592.23; for a married participant an increase from \$3,126.26 to \$3,423.25; and for married participants with children from \$4,289.53 to \$4,697.04. The cost to the SUP Welfare Plan of the increase is \$5,200.

in 2015 and to \$2.17 and will increase by an amount, not presently known, through 2019. In addition, the health care providers, the SUP Welfare Plan has contracts with, can legally tack on a 2% tax on their rates to help fund the Act and have done so. Also under the Act, dependent "children" between the ages of 19 and 26 are required to be covered which has added significantly to SUP Welfare Plan expenses over the past five-and-a-half years.

Also looming on the horizon is the so-called "Cadillac Tax" provision of the Affordable Care Act. Starting in 2018, premiums exceeding \$10,200 for individuals or \$27,500 for a family will be taxed 40% annually. This excise tax will be paid by the health care provider who will then pass on the cost to the SUP Welfare Plan in the form of even higher premiums.

This information is being reported so that the membership is aware that in addition to wages, supplemental benefits, vacation pay, and Money Purchase Pension Plan contributions, health care premium costs and other benefits provided by the SUP Welfare Plan are part of a members' overall compensation.

#### MARITIME INDUSTRY CONGRESSIONAL "SAIL-IN"

Representatives of the maritime industry's seagoing Unions, U.S.-flag companies and industry associations gathered in Washington, D.C. on June 14, to increase Capitol Hill awareness of the importance of the industry to the economic and national security of the United States, and to generate support for the programs and policies that are key to the survival and growth of the U.S. Merchant Marine and the jobs of American merchant mariners.

The seventh annual Sail-In was organized by the United States Maritime Coalition, of which the SUP is a member. Representing the Union was Sister Berit Eriksson, Director of Workforce Development of the Andrew Furuseth School of Seamanship.

The approximately 70 maritime representatives visited 117 Congressional offices to promote the industry. Sister Eriksson's group was comprised of MFOW President Anthony Poplawski; Jeff Pavlak, Legislative Representative of the Transportation Trades Department, AFL-CIO; and MEBA member Patrick Bevers. They met with Congressman David Joyce (R-Ohio), Congressman John Garamendi (D-California), Congressman Mike Quigley (D-Illinois), Congressman Peter DeFazio (D-Oregon), Congressman Hank Johnson (D-Georgia) and Congressman Lee Zeldin (R-New York).

The following points were made to the Members of Congress:

- Provide full fiscal year 2017 funding at the authorized level for the Maritime Security Program (MSP);
- Preserve existing U.S.-flag cargo preference shipping requirements and restore the longstanding requirement that U.S.-flag vessels carry no less that 75% of U.S. government financed food aid

Sister Eriksson reports that the members of Congress visited by her group were generally receptive to maritime's legislative program.

#### QUARTERLY FINANCE COMMITTEE

In accordance with Article XVII, Section 2, of the SUP Constitution, a Quarterly Finance Committee shall be elected at today's Headquarters' meeting to review the finances of the Union for the second quarter of 2016, and report back to the membership at the August coastwise meetings.

In the event the Committee cannot be filled today, recommend that when the quarterly audit is completed, which will be in about three weeks, necessary Committee members be shipped off the hiring hall deck as per past practice. The Quarterly Finance Committee will turn-to on Monday, August 8, at 8:00 A.M.

#### LONGSHORE HOLIDAY

SUP hiring halls on the West Coast will be closed on Thursday, July 28, in observance of an ILWU holiday.

In accordance with the collective bargaining agreements with APL and Matson, it is a holiday for all company vessels in West Coast ports and for sailors employed under the APL and Matson Maintenance Agreements. It is also a holiday for run boat operators employed by the San Francisco Bar Pilots. It is not a holiday at sea or in Hawai'i.

#### **ACTION TAKEN**

M/S to elect the Quarterly Finance Committee. Elected are: Berit Eriksson, Izzy Idris, Tom Koppel, Frank Portanier and Art Thanash.

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

Gunnar Lundeberg

### Enforcement of the Jones Act will be beefed up by Customs

On July 15, U.S. Customs and Border Protection (CBP) announced the creation of the National Jones Act Division of Enforcement (JADE) to be located in the New Orleans Field Office. According to the announcement, the "mission of JADE will be to assist CBP and industry partners on issues concerning coastwise trade, with the goal of being a clearinghouse for all coastwise trade issues." The announcement notes, however, that carrier ruling requests will continue to be directed to the Office of Regulations and Rulings in CBP HQ. How JADE will coordinate with or relate to that Office or to the CBP penalties functions is not spelled out in the announcement.

Health Net PPO (Non-California): Rates remained status-quo at 2015 levels: For a single participant, the cost is \$1,309.58 per month; for a married participant \$2,815.58; and for a married participant with children \$3,863.27 per month.

#### It should be noted that the Plan Consultant is actively seeking a replacement for the costly HealthNet Plans.

In addition to escalating premiums, the impact of the Affordable Care Act (Obamacare) is financially significant to the Welfare Plan. Taxes and fees under the Act include a \$63 per year Reinsurance Fee on every participant and dependent of the Plan and a \$1.00 per year Excise Tax on every participant and dependent of the Plan since January 1, of 2013, to help fund the Patient-Centered Outcomes Research Institute (PCORI). This tax, which funds health care for those without coverage, rose to \$2.80 per participant and dependent cargoes;

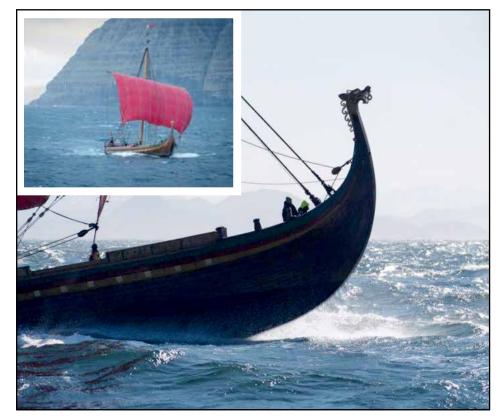
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- Continue to support the existing PL 480 Food Aid Program so that American taxpayer dollars continue to benefit American farmers, American shipping and American jobs;
- Continue to support the Jones Act, and reject any amendments to weaken or repeal the Jones Act as part of any legislative proposal, including legislation addressing the debt crisis affecting Puerto Rico;
- Join the bipartisan Congressional Maritime Caucus co-chaired by Congressmen Joyce and Cedric Richmond (D-Louisiana); and
- Support the Vessel Incidental Discharge Act (S-373). This legislation would eliminate an overlapping patchwork of federal and state regulations that has made compliance confusing and costly for vessel owners and mariners and has impeded new investments by the maritime industry in environmentally protective ballast water treatment technologies.

The announcement also indicates that JADE "will work in partnership with industry stakeholders in the enforcement of the Jones Act" and provides two contact points for "e-Allegations" and "questions or concerns regarding coastwise trade issues."

At a March 9, hearing before the U.S. Senate Committee on Appropriations, Subcommittee on Homeland Security, Senator Bill Cassidy (R-Louisiana) stated that he had worked "with CBP and our Offshore Marine Service Association" on Jones Act enforcement, which he said needed to be stepped up. CBP Deputy Commissioner Kevin McAleenan responded that CBP was committed to increased enforcement and that CBP was looking to review and update prior Jones Act rulings.





### **Real Viking ship completes** North Atlantic crossing

The world's largest Viking ship has arrived in North America after crossing the North Atlantic Ocean on a journey from its homeport in Haugesund, Norway.

The Viking ship, named Draken Harald Hårfagre, set sail from Norway with its approximately 32 crew members in late April and made stops in Iceland, Greenland and Newfoundland, Canada, before making its way through the Saint Lawrence Seaway to Toronto for the Tall Ships Challenge Great Lakes 2016 festival.

Future stops for the Viking ship include Chicago, Green Bay and Duluth, before heading through the New York canals to U.S. East Coast with stops in New York City and finally Mystic Seaport in Mystic, Connecticut in October.

Draken Harald Hårfagre is actually not a replica, rather it's a real-life Viking ship built based on ancient Norwegian boat building techniques dug up from the history books and archaeological findings. Construction was completed in 2014 and it is now heralded as the world's largest Viking ship ever built in modern times.

### **Pirates convicted in Mauritius**

Twelve men have been found guilty by the Mauritian Court of attempting to carry out an act of piracy against a merchant ship, MSC Jasmine, on January 5, 2013. The successful conviction came after prosecution lawyers in the Republic of Mauritius challenged an earlier court ruling in November 2014 that had found the men not guilty of attacking the Cypriot container ship as it transited south in the Indian Ocean.

On the day of the attack in January 2013, MSC Jasmine's master put out a distress call to say that his ship had been attacked by a number of men who were armed with rocket propelled grenades. The private security team on board managed to repel the attack.

Upon receiving the distress call, counter-piracy warships from NATO (USS Halyburton) and E.U. Naval Force (FS Surcouf), together with European Union (EU). Naval Force's German maritime patrol aircraft, immediately closed the sea area. Upon arrival at the scene, FS Surcouf's boarding team boarded two suspect vessels, and after apprehending 12 men, the suspects were transferred to the Republic of Mauritius for prosecution.

This was the first piracy trial held by the Mauritian Court after a transfer agreement, that enables those suspected of committing an act of piracy off the coast of Somalia to be transferred to the island nation for prosecution, was signed between the European Union and the Mauritian Government in July 2011.

The European Union also has a transfer agreement with the Republic of the Seychelles and just last month the Seychellois Court found seven men guilty of attacking the Mar-

### Vice President's Report

#### **July 2016**

In addition to the routine duties of the front office, I attended various Alameda Labor Council meetings as well as the California Labor Federation's Biennial Convention in advance of the November General election. Also checked the following ships:

Admiral Callaghan: Phil Coulter, bosun. Clarifications on jurisdiction in the shipyard, on lodging, on shore leave, on transportation, on mandatory overtime, and meal per diems. After intervention management responded to most things and the per diem was raised in accordance with government rules and past practice. Shipyards are always a challenge for sailors.

APL Singapore: Reggie Clark, delegate. Clarification emergency trip off and on early call out for anchor retrieval and mates doing sailors work (payable by the applicable minimum under Section 11(m). SUP stateroom door vents part of regular SUP sanitary duties.

APL Thailand: Lez Jeziorski, delegate. Running smooth.

APL Philippines: Jenn Corner, delegate. Clarification on meal reliefs and overtime for the watch while tying up and letting go (and related duties of the early or retained sailor). Payable under Section 11(0) of the SUP Work Rules. Investigating old payroll problem.

Florida Voyager: Terry Black, delegate. Departed Spanish yard to load Algerian cargo and bound for U.S. West Coast. Some reliefs in Gibraltar but a lack of available sailors (not policy) prevented others. Appropriately, a tiger team is onboard to make the maintenance most of the long sea passage.

Manukai: Mike Pfleegor, delegate. Clarification on carpenter's work: low cargo rate on straight time and overtime rate on overtime hours as per Section 34 of the SUP Work Rules.

USNS Dahl: Dennis Sumague, delegate. Along with SF Business Agent Roy Tufono investigated terminations of two Ordinary Seamen including interviews and discussion with management. Investigation ongoing.

USNS Gordon: Jeff Titco, delegate. Crewing up in Baltimore for a yard period in Mobile. In good shape.

USNS Yano: Joe Zeason, delegate. Crewing up in New Jersey shipyard to return Louisiana layberth.

Dave Connolly

### **Ocean Alliance betting big** on TransPacific services to the East and Gulf coasts

The Ocean Alliance in April 2017 plans to deploy the most expansive all-water TransPacific service network to U.S. East and Gulf Coast ports that has been seen in years, according to a U.S. maritime regulator.

Ocean Alliance members CMA CGM, China Cosco Shipping, Orient Overseas Container Line and Evergreen Line see major opportunity in deploying more services to the East and West coasts now that they can get ships up to 14,000 twenty-foot-equivalent units through the Panama. Before the June opening of the larger canal locks, the canal could only accommodate ships moving up to 5,000 TEUs.

The Ocean Alliance's doubling down on all-water services through the Panama Canal is the latest sign of how the expansion is reconfiguring how container lines bring Asian imports into the United States. Weeks after opening, the Panama Canal has already ousted the Suez Canal as the leading route for all-water container services between the Far East and the U.S. East Coast.

The Central American waterway has a 57% share of total volume on the trade compared with 48% at the beginning of the year, and is set to boost its share further in the coming months as some container lines have yet to introduce larger vessels, according to Alphaliner.

shall Islands-flagged tanker, MV Nave Atropos, in the Gulf of Aden in January 2014.

These two cases follow another successful piracy conviction in April this year, when a French court sentenced six Somalis to between six to 15 years after they were found guilty of attacking the yacht, Tribal Kat, and the murder of its French skipper, in September 2011. After E.U. Naval Force warships, FGS Bavern and ESPS Galicia, intervened, the men were transferred to France for trial.

The European Union's counter-piracy E.U. Naval Force has welcomed the conviction. Speaking about the three piracy convictions, E.U. Naval Force's Operation Commander, Major General Rob Magowan, said: "These convictions send a clear message to pirates intent on going out to sea to attack ships – E.U. Naval Force warships will not hesitate to find and apprehend them and transfer them for prosecution."

The Mauritian Director of Public Prosecution, Satyajit Boolell, said: "We have played our part as a member of the regional and international communities' efforts in the fight against piracy. We have ensured that the pirates were given a fair trial, and they were represented by legal counsel throughout the trial. This has been a victory for the international community and the rule of law."

#### **DEFEND THE JONES ACT** SUPPORT THE SUP POLITICAL FUND

Overall all-water weekly capacity currently stands at 145,000 TEUs, up 1.7% from a year ago, the industry analyst said. The number of all-water services via Panama has fallen to 13 strings from 16 a year ago, but the capacity has grown now that ships up to 10,000 TEUs ply the route.

The alliance, in which the partner liners will share vessel space so they can deploy larger, more-efficient ships, will be coordinated from a Hong Kong office employing roughly 20, he said. The chair position will rotate among the four container lines every three months.

The alliance partners would have the biggest market share on the Asia-Europe and Asia-North America routes, according to research firm Alphaliner. The vessel-sharing agreement would have market shares of nearly 35% on Asia-Europe services and 38.9% on Asia-North America routes. Those shares include APL, part of Singapore-based holding company Neptune Orient Lines - which is being acquired by CMA CGM and China Shipping Container Lines, which merged with Cosco in February to create China Cosco Shipping.

"When Unions are strong, America is strong." Hillary Clinton speaking to 4,000 members of the American Federation of State, County and Municipal Employees (AFCME) on July 19, in Las Vegas.

# **SUP Branch Reports**

### Seattle

#### June 20, 2016

Shipped during the period: 4 Boatswain jobs shipped and filled with 2 B-cards, 1 C-card, and 1 D registrant; 3 Able Seaman jobs shipped and filled with 1 A and 2 B-cards; 4 Ordinary Seaman to 3 C-Cards and 1 D registrant; 2 GDEU to 2 D registrants; and 10 standbys to 9 A-cards and 1 B card.

Registration: 13 A cards for a total of 20; 12 B cards for a total of 22; and 7 C cards for a total of 12.

#### **Ships Checked**

Matson vessels *MV Manoa* and *MV Mahimahi* called twice in Seattle with little or no problems. The APL vessels *APL China, APL Coral* and *APL Agate* called for SUP crew replacements. The Patriot vessels *USNS Pomoroy, USNS Soderman, USNS Dahl, USNS Watkins, USNS Admiral Callaghan,* and the *Cape Trinity, Cape Texas,* and the *Cape Taylor* all called Seattle for SUP crew billets.

I represented the SUP at the following meetings. The North Seattle Industrial Association, the King County Labor Council Executive Board and Delegates meetings, the Seattle Marine Business Coalition, and the Northwest Seaport Alliance Commission meeting.

Vince O'Halloran, Branch Agent

### Wilmington

#### June 20, 2016

Shipped: Bosun: 2, AB: 6, AB Maint: 5, OS 1, standby: 0, for a total of 14 jobs shipped.

#### Registration: A 35, B 28, C 12, D 10. Ships Checked

Manulani, Mokihana, APL Thailand, APL Philippines, MV Maunalei.

The membership here is awaiting the arbitrator's decision on whether the contract with Matson and the vessel *Matson Navigator* will come to resolution on the behalf of the SUP.

The ILWU requested a clarification on whether the SUP would store the vessel *Matson Navigator* per the existing status quo agreement between the SUP and the ILWU allowing only SUP sailors to do so. Accordingly, I explained that as soon as the issues surrounding there being an SUP crew on board the vessel *Matson Navigator* that the SUP would store the vessel per the existing status quo understandings contained in our agreement of 1952, 1955 and the re-affirmations of 2003. Other than the above, all seems quiet on the waterfront.

> Bob Burns Branch Agent

### Honolulu

June 20, 2016

Shipped the following jobs in the month of June: 1 Bosun steady, 3 AB Day steady, 1 AB Day relief, 4 AB Watch steady, 1 AB Watch relief, 1 OS Watch steady, and 1 AB Maint steady. The shipping jobs were filled by 4 A cards, 6 B cards, and 1 C card. Shipped 28 standby jobs. The standby jobs were filled by 21 B cards, 2 C cards, and 5 D cards.

Registered in June: 7 A cards 9 B cards 1 C card 3 D card. To date totaled registered: 8 A cards 16 B cards 4 C cards 5 D cards.

#### Ships Checked

I visited the Manukai, Lihue, Maunawili, Manulani, Maunalei, Manoa, Mokihana, Kauai, Mahimahi, Matsonia, and the Paint and Rigging gang. All are running with few or minor beefs.

I represented the SUP at the Hawai'i Ports Maritime Council Maritime unofficial golf meeting, (the Hawaii Port Maritime Council is on a summer recess, as is the AFL-CIO Executive Board), and a meeting with Honolulu Mayor Kirk Caldwell concerning how the rail project is proceeding.

Last month when Vince O'Halloran (Seattle SUP Branch Agent) and I checked our port registration lists, I discovered that two book members who registered in Seattle first and then registered with me later in Honolulu didn't tell Vince that they were registered in Honolulu and for Vince to take them off the Seattle registration list. And then they both took standby jobs on the MV Manoa with their Seattle registration cards while there were other book members with good Seattle registration cards throwing in for the standby jobs. One of the book members called me and gave me the excuse that he didn't know better. The other book member didn't even call me. After discussing this with Vince we burnt both of their shipping cards (Honolulu and Seattle) and suspended them from registering for 30 days. Just a quick reminder, the port agents do talk with each other.

Mahalo,

Deck

Michael Dirksen, Branch Agent

Dispatcher's Report Headquarters—June 2016

#### Business Agent's Report

#### July 11, 2016

**Kauai-** In at Oakland #62. Quentin Brown on a trip-off; in good hands with relief Bosun Has Idris; Yvette Cavan as delegate.

**Matsonia-** In at Oakland #62. Teo Rojas, Bosun. Ship has been running steady since her break out earlier this year. This is on of the few Matson ships that calls for standbys for stores and maintenance work; Jack Forde, delegate.

**Mahimah**i- In at Oakland via Seattle on the northwest run; time up for Relief Bosun Sam Scott; Remoni Tufono to return; Arsenio Purganan as delegate.

**Manoa-** In and out of Oakland. The Swede's(Pete Johnsson) back from his trip off with little or no beefs; Billy Sullivan, delegate.

**APL Philippines-** Received a call from Wilmington standby Bosun Gary Gelfgren who gave us a heads-up on a technical job – changed out the gasket on the side port. Dispatched Mike Worth and three ABs to handle the task. And a good job well done. Brian Burns, Bosun; Jennifer Corner, delegate.

**APL Belgium-** Made the ship Oakland#56. Relief Bosun Greg Shauf time is up. This ship had issues with the stores crane. Spoke with the delegate and there's an add limit switch device installed to prevent blocking – so far no issues. Ben Ashton, delegate; Dennis Belmonte, Bosun.

**APL Thailand-** In and out Oakland#56. Had a good trip. We work, if no work, we read a book or watch a movie. No beefs. Delegate Angel Lopez, Bosun Rex Simbre.

Checked the APL Singapore, APL China with little or no beefs.

RRF: Alameda Fleet: **Cape Henry**, **Cape Orlando**, **Admiral Callaghan**-Checked in with these ships with no beefs; on their regular routine.

RRF: San Francisco Fleet -**Cape Horn**-Joel Schor, Bosun; **Cape Hudson**- Mike Worth, Bosun - Checked in with these ships with no beefs.

**California Voyager-** In at Richmond Long Wharf running up and down the coast in good hands with Scott Oliphant as Bosun and Reynanito Obis as Delegate.

**Oregon Voyager-** Running smooth. Worked in front office and dispatched.

Roy Tufono

**IMO bravery award** Captain Radhika Menon, Master of the oil products tanker *Sampurna Swarajya*, is to receive the 2016 International Maritime Organization (IMO) Award for Exceptional Bravery at Sea for her role in the dramatic rescue of seven fishermen from a sinking fishing boat in tumultuous seas. The IMO Council, meeting in London, endorsed the decision of a Panel of Judges

that Menon displayed great determination and courage in leading the difficult rescue operation in the Bay of Bengal in June last year.

Indian skipper to receive

Menon was nominated by the Government of India, for the rescue of all seven fishermen from the fishing boat of *Durgamma*, which was adrift following engine failure and loss of anchor in severe weather. Food and water had been washed away and they were surviving on ice from the cold storage.

Through wave heights of more than 25 feet, winds of more than 60 knots and heavy rain, on June 22, the second officer on the *Sampurna Swarajya* spotted the boat 1.5 miles away, off of Gopalpur, Orissa, on India's east coast.

Menon immediately ordered a rescue operation, using the pilot ladder and with life jackets and buoys on standby. It took three arduous attempts in the lashing wind and rain and heavy swells before all seven weak and starving fishermen, aged from 15 to 50 years old, were brought to safety on board the ship. Their families had already considered them to be lost at sea, but thanks to the rescue, led by Menon, they were reunited with their loved ones a few days later.

Menon is the first female captain in the Indian Merchant Navy and will be the first female to receive the IMO Award for Exceptional Bravery at Sea.



SUP brothers in the APL Thailand sending greetings for a happy Fourth of July. From left Bosun Rex Simbre, AB Juny Huavas, AB Jones Dennis, AB Leszek Jeziorski, AB Leo Martinez, and AB Clores Reynaldo.

ATTEND YOUR MONTHLY SUP UNION MEETINGS!

# Correction in pension ranks

Nestor Guzman did not retire May 1.