




# West Coast Sailors

Official Organ of the Sailors' Union of the Pacific

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SAN FRANCISCO, CALIFORNIA

Friday, October 21, 2016

## SUP President's Report

# Arbitrator issues bum decision in *Matson Navigator* crewing case

On Columbus Day, MFOW President Anthony Poplawski and SUP President Gunnar Lundberg issued the following statement:

**"Justice was denied on October 3, when the MFOW and SUP received Arbitrator Frank Silver's September 30 decision on the Unions' grievance over the company crewing the *Matson Navigator* in the unlicensed engine and deck departments with non-MFOW and SUP mariners.**

**The *Navigator* is one of the vessels that Matson obtained as part of its acquisition of Horizon Lines in 2015. The arbitrator agreed with us that the *Navigator* is now owned and operated by Matson and is therefore a vessel covered by our Agreement. If he had been doing his job, he would have ended his analysis right there and upheld the grievance. Instead, he bent over**

**backwards to help Matson, expressing vague, unsubstantiated concerns about whether arbitration was the appropriate forum to resolve the dispute given Horizon's past collective bargaining obligations, and on that basis denied our grievance.**

**We may never know what led the arbitrator to ignore the law and issue such an outrageously biased decision. But while disappointing, to say the least, his decision does reaffirm our right to the work on all Matson vessels, everywhere that Matson operates, as long as they are not among the few vessels Matson obtained as part of its acquisition of Horizon in 2015."**

*The President's Report continues on page 10*

# Global shipping faces upheaval

World-wide container volumes are on track for zero growth this year, which would mark the sector's worst performance since the 2009 economic crisis and a likely catalyst for further bankruptcies and possible shipping-industry consolidation, according to an article in the September 28, *Wall Street Journal*.

Freight rates, the predominant source of income for shipping companies, fell 20% to \$767 a container in the benchmark Asia-to-Europe trade route last month.

Rates have mostly stayed well below \$1,000 since the start of the year. Operators say anything below \$1,400 is unsustainable.

They aren't expected to turn around soon. China's Golden Week holiday started at the beginning of October, marking the slow season for operators as many Chinese factories cut production levels after an output frenzy in the summer months when Western importers stack up products for the year-end holidays.

"The industry faces its worst year since the Lehman Brothers

collapse," said Jonathan Roach, an analyst at London-based Braemar ACM Shipbroking. "Demand is around zero and any moves to increase freight rates will likely fail."

Hanjin Shipping Co., South Korea's biggest operator and the world's seventh largest in terms of capacity, filed for bankruptcy protection in August and is under court order to sell its own ships while returning chartered ships to their owners.

Container operators, which move everything from clothes and shoes to electronics and furniture, are burdened by 30% more capacity in the water than demand.

Many companies are fighting for survival as freight rates barely cover fuel costs.

China's slowing growth is considered the main cause of the industry's problems. The economy of the world's biggest exporter grew 6.7% in the second quarter, far less than the double-digit growth of past years, as it tries to transform its growth model from heavy industry and construction to services and consumption.

The economies of two major importers—the U.S. and the eurozone—expanded 1.2% and 0.3%, respectively in the second quarter.

"Global growth is just stumbling along and this has had a profound impact on shipping," said Basil Karatzas, a U.S.-based maritime adviser.

Most of the 20 biggest container lines, including A.P. Moller-Maersk A/S's Maersk Line, were deeply in the red in the second quarter, and analysts expect them to report a collective \$8 billion to \$10 billion in losses for the full year.

Shipping analysts say any operator with less than 5% global share of the container shipping market may be taken over by bigger players or be confined to regional trades.

Only four companies among the world's top 20 have more than 5% global share of that market. They include Maersk, Swiss-based Mediterranean Shipping Co., France's CMA CGM and China's Cosco Container Lines.

# Hanjin woes hit West Coast ports

The bankruptcy of Korean ocean carrier Hanjin Shipping Company battered West Coast ports in September.

For weeks after the South Korean operator filed for bankruptcy protection, its fleet of dozens of vessels, about 3.2% of global container capacity, sat idle in international waters with billions of dollars in cargo trapped on board. The disruption came as retailers were stocking their shelves for the busy holiday season, a time that usually results in among the strongest months at U.S. ports.

Instead, import volumes sank at the ports of Long Beach and Oakland last month.

Long Beach, the nation's second-largest port by container volume, reported a 15% drop in imports compared with Sep-

tember 2015. That made it the weakest September for imports since 2012. In the month, dockworkers imported 282,945 20-foot equivalent units, or TEUs, a standard measure for container cargo. Long Beach port officials said Hanjin's containers accounted for 12.3% of the port's total container volume.

In Oakland, the 10th-largest U.S. port and a major hub for Asian cargo, imports were down 4.2% year-over-year. The Bay Area port handled 70,307 loaded import TEUs in September, down from 73,420 last September and 72,271 in September 2014.

Analysts estimated overall U.S. monthly imports would fall from August to September. But they expected that last month's performance would still be a

slight improvement from a year earlier. Panjiva Inc., which tracks customs data, found that while the overall number of import shipments to the U.S. fell 11.2% from August to September of this year, the monthly figure was a 1.3% improvement over September of last year, despite the Hanjin bankruptcy.

In terms of exports, Oakland continued to recover, with 76,356 TEUs for the month. That is an improvement of 10% over September 2015, but still off from 2013 and 2014 September exports. Exports out of Long Beach declined, falling 4.2% from the year-earlier period to 120,383 TEUs.

As Hanjin's bankruptcy proceedings have moved forward in South Korea and New Jersey courts over the past several

weeks, Hanjin's ships have been cleared, one by one, to berth and unload cargo at various ports around the world.

But delays and confusion are mounting. Thousands of Hanjin containers—unloaded from ships and emptied of their imported goods—clutter warehouse yards and parking lots, many of them attached to trailers that port truckers need to move other companies' goods on and off the docks.

Earlier this month, Hanjin started accepting empty container dropoffs at port terminals in Long Beach and Seattle. Marine-traffic control in Southern California said that the vessel *Hanjin Seattle* was expected to arrive later this month in Long Beach to discharge more containers.





## A.P. Moller-Maersk to split into transport, energy divisions

Danish shipping and oil conglomerate A.P. Moller-Maersk said last month it will separate its businesses into separate transport and energy divisions in a bid to better tackle the problems facing its struggling businesses. The focus will be on establishing an integrated transport and logistics company, while its oil and oil-related business will either individually or in combination be separated from the company, Maersk said.

Transport & Logistics Division will consist of Maersk Line, APM Terminals, Damco, Svitser and Maersk Container Industry based on a one company structure with multiple brands. The mission of these businesses is to enable and facilitate global supply chains and provide opportunities for our customers to trade globally.

Chairman of the Board, Michael Pram Rasmussen says: “The industries in which we are operating are very different, and both face very different underlying fundamentals and competitive environments. Separating our transport and logistics businesses and our oil and oil related businesses into two independent divisions will enable both to focus on their respective markets. This will increase the strategic flexibility by enhancing synergies between businesses in Transport & Logistics, while ensuring the agility to pursue individual strategic solutions for the oil and oil related businesses.”

The 112-year-old group said in June it had asked new Chief Executive Soren Skou to look into potentially breaking up the group, whose shipping and energy operations are both struggling.

The main growth focus of the company going forward will be delivering best in class transportation and logistics services as an integrated transport and logistics company, said the company in a statement. Building on the group’s unique position within container transport and port operations, and significant position in supply chain management and freight forwarding, Transport & Logistics will leverage its leading position through new product offerings, digitalized services and individualized customer solutions.

The weak market has hit the big lines which have invested heavily in “mega-ships”, largely to operate the main Asia to Europe trade route. Industry sources have questioned whether there is enough work for the biggest container vessels on the high seas at the moment, putting more pressure on profits.

The Energy Division will consist of Maersk Oil, Maersk Drilling, Maersk Supply Service and Maersk Tankers.

The board of directors expects that its oil and oil related businesses will require different solutions for future development including separation of entities individually or in combination from A.P. Møller-Maersk in the form of joint-ventures, mergers or listing. Depending on market development and structural opportunities, the objective is to find solutions for the oil and oil related businesses within 24 months.

Meanwhile, Maersk’s oil business is struggling with a 60% drop in crude prices since mid-2014 and in August, the group posted a second-quarter net profit of \$101 million, well below the \$196 million expected by analysts.

## Shippers are demanding more financial information from many ocean carriers

Shippers are demanding more financial transparency from carriers in the wake of Hanjin Shipping’s decision to file for receivership, according to Drewry, a shipping research and consulting firm based in London. Drewry expressed how there is an increasing demand from exporters and importers for carrier financial risk indicators and advice on risk management. The firm believes shippers will award more cargo to carriers who are “closer to the safe zone” and “provide visibility into their financial health.” In addition, Drewry said it found that carrier financial stress has increased as the industry’s average revenue per TEU has fallen steadily since the first quarter of 2013.

To measure financial stress in the industry, Drewry and others use the “Z-score,” for predicting bankruptcies. The Z-score is a formula developed by Edward Altman, a professor of finance at New York University. Drewry sorts carriers into a safe, caution or distress zone using the formula, which uses inputs that include assets and liabilities, retained earnings, annualized earnings before interest and taxes, book value of equity, and annualized sales.

As of June 30, Drewry said only AP Moller-Maersk and Orient Overseas (International) Ltd., the parent of container carrier OOCL, were in the gray or caution zone as calculated by the Z-score formula. Another 14 carriers, including Hanjin were in the distress zone as calculated by the formula.

“We expect to see some uptick to the Z-score when the third-quarter 2016 results are published, while the removal of Hanjin from the sample will also benefit the average score,” Drewry said.

“Stakeholders must understand that no carrier is too big to fail,” the firm said. “The hitherto expectation that some white knight would rescue an ailing carrier has been erased forever.”

Drewry said Hanjin’s demise “is not expected to create a domino effect,” but that “a number of major carriers are still struggling and the risk of another following the same path as the Korean line cannot be discounted. Knowing these things, any company doing business with ocean carriers must undertake more due diligence than was previously the case.”

However, the firm noted, “Getting financial visibility is not always possible, however, as many large carriers, such as MSC and Hamburg Sud for example, do not publish their financial results. Others only report at the group level with minimal data for container operations.

“The demand for financial transparency is increasing and Drewry is aware that some large shippers are now requesting access to ‘hidden’ financial information before entrusting their cargoes, in return for signing a non-disclosure agreement. As more shippers demand access to financial data during contract negotiations, it will become harder for secretive carriers to hold down the drawbridge.”



SUP members James Coulter, Mark Accord, Jonathan Beeman, Allen Gonzalez, and Jack Ford in the Gilliland last month in Baltimore for a MarAd activation.

## Korean firm lands \$120 million deal for Matson’s new ship order

South Korea’s Daewoo Shipbuilding & Marine Engineering is set to get \$120 million from Matson’s order for two new LNG-powered container and roll-on/roll-off vessels placed at NASSCO. See last month’s *West Coast Sailors*.

South Korea’s Yonhap news reported that the contract was signed between DSEC, a subsidiary of DSME, and General Dynamic’s NASSCO shipyard in San Diego, where the vessels will be built. The contract covers design and supply of materials, Yonhap reports.

NASSCO has partnered with DSEC on just about all of its commercial shipbuilding projects since 2006, together producing four ship designs for five separate Jones Act owners so far to date.

Matson says the new vessels, called the Kanaloa-Class, will be built on a 3,500 TEU platform, with enclosed garage space for up to 800 vehicles. They will measure 265 meters long by 34.9 meters wide, and also feature a fuel efficient hull design, environmentally safe double hull fuel tanks, and fresh water ballast systems.

The Kanaloa-Class will also be equipped with dual fuel engines, which Matson says would be “capable” of operating on either conventional fuel oils or liquefied natural gas with “some adaptation for LNG.”

Matson placed the newbuild order this past August for a total price of \$511 million. The company says the new vessels will replace three older and less efficient ships currently in service on the Hawai’i route.

## ILWU, PMA agree to discuss contract extension

The International Longshore and Warehouse Union (ILWU) and the Pacific Maritime Association (PMA), which represents the ILWU’s employers, announced last month that they have agreed to meet for the purpose of working out a contract extension. The talks have been tentatively scheduled for November 1-2.

The current contract, which covers about 20,000 members of the ILWU Longshore Division who work at 29 West Coast ports, is not set to expire until July 1, 2019.

In August, a group of 128 trade organizations representing shippers and transportation organizations urged the ILWU and PMA to begin contract talks early.

“We applaud your organizations for considering an extension of the current contract. However, we now call upon you to agree to the requests and begin the negotiations,” the group said in a letter sent August 8 to ILWU President Robert McEllrath and PMA Chairman and CEO James McKenna.

The letter was signed by manufacturers, farmers, wholesalers, retailers, importers, exporters, distributors, transportation and logistics providers, and other supply chain stakeholders. Shipper groups that signed the letter included the Agriculture Transportation Coalition, the National Retail Federation, and the United States Chamber of Commerce, while transportation groups that signed it included the American Trucking Associations and the National Customs Brokers and Forwarders Association of America.

On August 11, ILWU delegates voted to have the Union enter into discussions with representatives from the PMA to discuss a contract extension.

Negotiations for the current contract began March 12, 2014, and continued for nearly a year until February 20, 2015, when a deal was finally reached. During those negotiations, employers accused the Union of slowdowns and the Union accused employers of withholding labor and shortening hours. Cargo at the docks and dozens of ships were moored off the West Coast, waiting to come to berth so they could discharge and load cargo. It was not until May 22, 2015, that the contract was finally ratified by ILWU members, nearly a year after the prior contract had expired.

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



California  
**LABOR**  
Federation

**President**



HILLARY CLINTON

**U.S. House  
of Representatives**

- |                       |                           |
|-----------------------|---------------------------|
| 1. Jim Reed           | 28. Adam Schiff           |
| 2. Jared Huffman      | 29. Tony Cardenas         |
| 3. John Garamendi     | 30. Brad Sherman          |
| 4. Robert Derlet      | 31. Pete Aguilar          |
| 5. Mike Thompson      | 32. No recommendation     |
| 6. Doris Matsui       | 33. Ted Lieu              |
| 7. No recommendation  | 34. Xavier Becerra        |
| 8. Paul Cool (R)      | 35. Norma Torres          |
| 9. Jerry McNerney     | 36. Raul Ruiz             |
| 10. Michael Eggman    | 37. Karen Bass            |
| 11. Mark DeSaulnier   | 38. Linda Sanchez         |
| 12. Nancy Pelosi      | 39. Brett Murdock         |
| 13. Barbara Lee       | 40. Lucille Roybal-Allard |
| 14. Jackie Speier     | 41. Mark Takano           |
| 15. Eric Swalwell     | 42. Tim Sheridan          |
| 16. No recommendation | 43. Maxine Waters         |
| 17. Mike Honda        | 44. Isadore Hall          |
| 18. Anna Eshoo        | 45. No endorsement        |
| 19. Zoe Lofgren       | 46. Lou Correa            |
| 20. Jimmy Panetta     | 47. Alan Lowenthal        |
| 21. Emilio Huerta     | 48. Suzanne Savary        |
| 22. Luis Campos       | 49. Douglas Applegate     |
| 23. Wendy Reed        | 50. No endorsement        |
| 24. Salud Carbajal    | 51. Juan Vargas           |
| 25. Bryan Caforio     | 53. No recommendation     |
| 26. Julia Brownley    |                           |
| 27. Judy Chu          |                           |

**State Senate**

- |                         |                        |
|-------------------------|------------------------|
| 1. Rob Rowen            | 21. Jonathon Ervin     |
| 3. Bill Dodd            | 23. No endorsement     |
| 5. Cathleen Galgiani    | 25. Anthony Portantino |
| 7. No recommendation    | 27. Henry Stern        |
| 9. Dual: Nancy Skinner  | 29. Josh Newman        |
| Sandre Swanson          | 31. Richard Roth       |
| 11. No recommendation   | 33. Ricardo Lara       |
| 13. Jerry Hill          | 35. Steven Bradford    |
| 15. Jim Beall           | 37. Ari Grayson        |
| 17. Bill Monning        | 39. Toni Atkins        |
| 19. Hannah-Beth Jackson |                        |

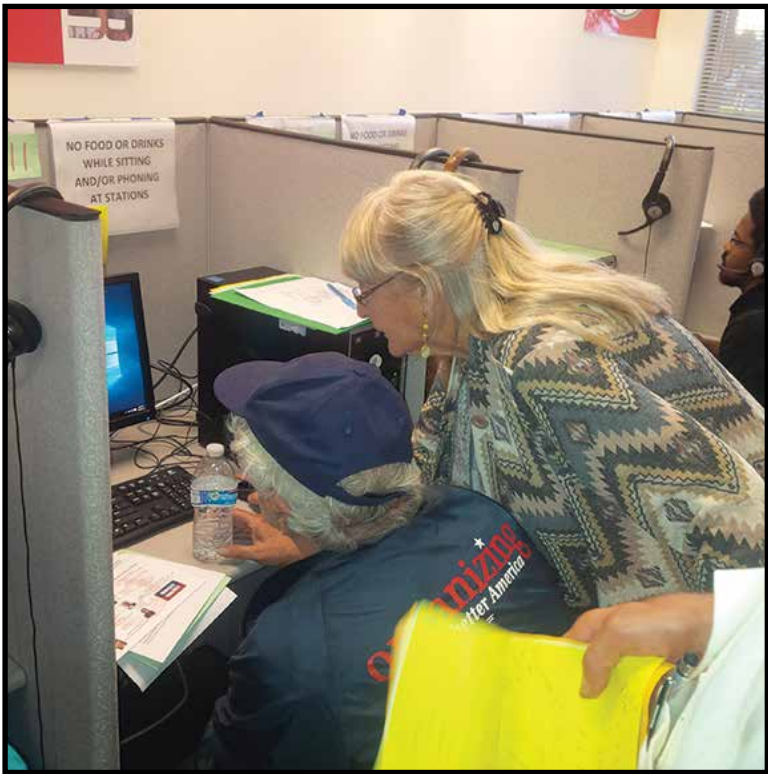
# California Labor Federation

## AFL-CIO Endorsements

**California Ballot Measures**

- |  |     |   |         |
|--|-----|---|---------|
| Prop. 51: School Bonds . . . . .                                   | Yes | Prop. 60: Adult Films . . . . .   | No rec. |
| Prop. 52: State Fees on Hospitals . . . . .                        | Yes | Prop. 61: State Prescription Drug Pur. . . . .                            | No rec. |
| Proposition 53: Revenue Bonds . . . . .                            | No  | Prop. 62: Death Penalty . . . . .   | Yes     |
| Prop. 54: Legislature and Proceedings . . . . .                    | No  | Prop. 63: Firearms. Ammunition sales . . . . .                            | No rec. |
| Prop. 55: Tax Extension to Fund Education and Healthcare . . . . . | Yes | Prop. 64: Marijuana Legalization . . . . .                                | No rec. |
| Prop. 56: Cigarette Tax . . . . .                                  | Yes | Prop. 65: Carry-out bags . . . . .  | No rec. |
| Prop. 57: Criminal Sentences . . . . .                             | Yes | Prop. 66: Death Penalty . . . . .   | No      |
| Prop. 58: Calif. Education for Global Economy                      | Yes | Prop. 67: Referendum to overturn ban on single-use plastic bags . . . . . | Yes     |
| Prop. 59: Campaign Finance . . . . .                               | Yes |   |         |

**VOTE!**  
**TUES,**  
**NOV 8**



SUP pensioner and labor activist Diane Ferrari shown doing phone bank training in September, at the Alameda County Labor Council in Oakland.

**State Assembly**

- |                         |                            |                             |                         |
|-------------------------|----------------------------|-----------------------------|-------------------------|
| 1. Brian Dahle (R)      | 20. Bill Quirk             | 38. Christy Smith           | 57. Ian Calderon        |
| 2. Jim Wood             | 21. Adam Gray              | 39. No recommendation       | 58. Cristina Garcia     |
| 3. Dual: Ed Ritchie     | 22. Kevin Mullin           | 40. Abigail Medina          | 59. Reggie Jones-Sawyer |
| James Gallagher (R)     | 23. No recommendation      | 41. Chris Holden            | 60. Eric Linder         |
| 4. Cecilia Aguiar-Curry | 24 Dual: Marc Berman       | 42. Greg Rodriguez          | 61. Jose Medina         |
| 5. Robert Carabas       | Vicki Veenker              | 43. Ardy Kassakhian         | 62. Autumn Burke        |
| 6. Brian Caples         | 25. Kansen Chu             | 44. Jacqui Irwin            | 63. Anthony Rendon      |
| 7. Kevin McCarty        | 26. No recommendation      | 45. No recommendation       | 64. Mike Gipson         |
| 8. Ken Cooley           | 27. Ash Kalra              | 46. Adrin Nazarian          | 65. Sharon Quirk-Silva  |
| 9. Jim Cooper           | 28. Evan Low               | 47. No recommendation       | 66. Al Muratsuchi       |
| 10. Marc Levine         | 29. Mark Stone             | 48. Blanca Rubio            | 67. No endorsement      |
| 11. Jim Frazier         | 30. Karina Cervantez-Alejo | 49. Ed Chau                 | 68. No endorsement      |
| 12. Heath Flora (R)     | 31. Joaquin Arambula       | 50. No recommendation       | 69. Tom Daly            |
| 13. Susan Eggman        | 32. No recommendation      | 51. Jimmy Gomez             | 70. Patrick O'Donnell   |
| 14. Mae Torlakson       | 33. Scott Markovich        | 52. Freddie Rodriguez       | 71-77. No endorsement   |
| 15. Tony Thurmond       | 34. Perrin Swanlund        | 53. Miguel Santiago         | 78. Todd Gloria         |
| 16. Cheryl Cook-Kallio  | 35. Dawn Ortiz-Legg        | 54. Sabastian Ridley-Thomas | 79. Shirley Weber       |
| 17. David Chiu          | 36. Steve Fox              | 55. Greg Fritchle           | 80. Lorena Gonzalez     |
| 18. Rob Bonta           | 37. Monique Limon          | 56. Eduardo Garcia          |                         |

**The SUP endorses**  
**Loretta Sanchez**  
**for U.S. Senate**



LORETTA SANCHEZ



# Washington State Labor Council AFL-CIO Endorsements

Rank-and-file delegates representing the WSLC’s 600-plus affiliated Unions and the WSLC Executive Board voted upon and approved these recommendations for the November ballot.

**President:**  
**Hillary Clinton**

## U.S. House of Representatives

3rd District: Jim Moeller  
5th District: Joe Pakootas  
7th District: Pramila Jayapal  
9th District: Adam Smith  
10th District: Denny Heck

## Statewide

**Governor:** Jay Inslee  
**Lt. Governor:** Cyrus Habib  
**Secretary of State:** Tina Podlodowski  
**Attorney General:** Bob Ferguson  
**Lands Comm.:** Hilary Franz  
**Supt. of Public Instr.:** Chris Reykdal  
**Insurance Comm.:** Mike Kreidler  
**State Auditor:** Pat McCarthy  
**State Treasurer:** Duane Davidson

## Judicial

**State Supreme Court**  
Position 1: Mary Yu  
Position 5: Barbara Madsen  
Position 6: Charles Wiggins

## State Senate/House

1st: House 1: Derek Stanford; House 2: Shelley Kloba  
2nd: House 1: Amy Pivetta Hoffman  
3rd: Senate: Andy Billig  
House 1: Marcus Riccelli; House 2: Timm Ormsby  
5th: Senate: Mark Mullet;  
House 1: Jason Ritchie; House 2: Darcy Burner  
6th: House 1: Lynnette Vehrs; House 2: Sharlene Lichty  
10th: Senate: Angie Homola; House 2: Doris Brevoort  
11th: Senate: Bob Hasegawa  
House 1: Zack Hudgins; House 2: Steve Bergquist  
12th: Senate: Brad Hawkins; House 1: Dan Maher  
13th: House 2: Jordan Webb  
14th: House 1: Susan Palmer  
15th: House 2: A.J. Cooper  
16th: House 1: Rebecca Francik; House 2: Gary Downing  
17th: Senate: Tim Probst; House 1: Sam Kim  
18th: Senate: Eric Holt  
House 1: Justin Oberg; House 2: Kathy Gillespie  
19th: Senate: Dean Takko  
House: 1 Teresa Purcell; House 2: Brian Blake  
21st: House 1: Strom Peterson; House 2: Lillian Ortiz-Self  
22nd: Senate: Sam Hunt  
House 1: Laurie Dolan; House 2: Beth Doglio  
23rd: Senate: Christine Rolfes  
House 1: Sherry Appleton; House 2: Drew Hansen  
24th: Senate: Kevin Van De Wege  
House 1: Mike Chapman; House 2: Steve Tharinger  
25th: Senate: Karl Mecklenburg  
House 1: Jamie Smith; House 2: Michelle Chatterton  
26th: House 1: Larry Seaquist; House 2: Randy Spitzer  
27th: Senate: Jeannie Darneille  
House 1: Laurie Jenkins; House 2: Jacob Fey  
28th: Senate: Marisa Peloquin  
House 1: Mari Leavitt; House 2: Christine Kilduff

29th: House 1: David Sawyer; House 2: Steve Kirby  
30th: House 1: Mike Pellicciotti; House 2: Kristine Reeves  
31st: House 2: Lane Walthers  
32nd: House 1: Cindy Ryu  
33rd: House 1: Tina Orwall; House 2: Mia Gregerson  
34th: House 1: Eileen Cody; House 2: Joe Fitzgibbon  
35th: House 1: Irene Bowling; House 2: Craig Patti  
36th: Senate: Reuven Carlyle  
House 1: Noel Frame; House 2: Gael Tarleton  
37th: House 1: Sharon Tomiko Santos  
38th: House 1: June Robinson; House 2: Mike Sells  
39th: Senate: Kirk Pearson  
House 1: Linda Wright; House 2: Ronda Metcalf  
40th: Senate: Kevin Ranker; House 1: Kristine Lytton  
41st: Senate: Lisa Wellman  
House 1: Tana Senn; House 2: Judy Clibborn  
42nd: House 1: Sharlaine LaClair  
43rd: House 1: Nichole Marcieri; House 2: Frank Chopp  
44th: House 1: John Lovick; House 2: Katrina Ondracek  
45th: House 1: Roger Goodman  
46th: House 1: Gerry Pollet; House 2: Jessyn Farrell  
47th: House 1: Brooke Valentine; House 2: Pat Sullivan  
48th: House 1: Patricia Kuderer; House 2: Joan McBride  
49th: Senate: Annette Cleveland  
House 1: Sharon Wylie; House 2: Monica Stonier

## Ballot Measures

**YES** on Initiative 1433 on minimum leave/sick leave  
**NO** on Initiative 732 on carbon taxes  
**YES** on Initiative 735 to repeal Citizens United  
**YES** on Initiative 1501 to protect vulnerable individuals and in-home caregivers

# Hawai’i State AFL-CIO Endorsements



**President:**  
**Hillary Clinton**

## U.S. Senate



Brian Schatz

## U.S. House of Representatives



Colleen Hanabusa

**State Senate**  
Senate District 14 – Donna Kim  
**State House**  
District 3. Richard Onishi  
District 8. Joe Souki  
District 9. Justin Woodson  
District 17. Karlen Ross  
District 23. Isaac Choy  
District 29. Daniel Holt  
District 40. Rose Martinez  
District 44. Cedric Gates  
**Hawaii County Council**  
District 3. Moana Kelii  
**Maui County Council**  
West Maui: Ernest Balinbin  
Wailuku-Waihee-Waikapu:  
Dain Kane  
Kahului: Donald Guzman  
Lanai: Riki Hokama  
**Mayor of Honolulu**  
**Kirk Caldwell**



Tulsi Gabbard



**President**  
**Hillary Clinton**

## U.S. Congress

4: Peter DeFazio

## State candidates

**Governor**  
Kate Brown  
**Secretary of State**  
Brad Avakian  
**State Treasurer**  
Tobias Read  
**Attorney General**  
Ellen Rosenblum

## Ballot Measure

Support IP 28 for tax fairness (Measure 97)

# Oregon State AFL-CIO Endorsements

## State Senate

5. Arnie Roblan  
12. Brian Boquist (R)  
21. Kathleen Taylor  
22. Lew Frederick  
23. Michael Dembrow  
25. Laurie Monnes-Anderson

## State Assembly

5. Pam Marsh  
8. Paul Holvey  
10. David Gomberg  
11. Phil Barnhart  
13. Nancy Nathanson  
14. Julie Fahey  
16. Dan Rayfield  
20. Paul Evans  
22. Teresa Alonso Leon  
23. Jim Thompson  
24. Ken Moore  
26. Ray Lister  
27. Sheri Malstrom  
28. Jeff Barker  
29. Susan McLain  
30. Janeen Sollman  
31. Brad Witt  
33. Mitch Greenlick  
34. Ken Helm  
35. Margaret Doherty  
36. Jennifer Williamson  
37. Paul Southwick  
38. Ann Lininger  
39. Bill Kennemer (R)  
40. Mark Meek  
41. Karin Power  
42. Rob Nosse  
43. Tawna Sanchez  
44. Tina Kotek  
45. Barbara Smith Warner  
47. Diego Hernandez  
48. Jeff Reardon  
49. Chris Gorsek  
50. Carla Piluso  
51. Janelle Bynum  
52. Mark Reynolds  
54. Gena Goodman-Campbell  
57. Greg Smith (R)  
58. John Huffman (R)

# HELP TAKE SS JEREMIAH O'BRIEN TO DRY DOCK!

“Steady as She Goes!” is the perfect motto for the *SS Jeremiah O'Brien*, the last unaltered Liberty ship in the world. Launched in 1943, the *O'Brien* is the only surviving Liberty Ship of the World War II Normandy invasion fleet, and her triple expansion reciprocating steam engine is a National Historic Mechanical Engineering Landmark. Moored at Pier 45 in San Francisco, the *O'Brien* offers several cruises on the San Francisco Bay each year, where thousands of guests have the chance to explore the 73-year-old steam ship’s galley, crew quarters, gun mounts, exhibits and the triple expansion steam engine—all while enjoying spectacular views of the Golden Gate Bridge, Alcatraz, Angel Island, and the San Francisco Skyline.

In order to keep the ship in class and certified for sailing the *O'Brien* needs your help. The ship requires \$1.2 million for mandatory drydock maintenance and repairs in 2017. These repairs take place every five years and ensure that the *O'Brien* meets the requirements and regulations of the U.S. Coast Guard and the American Bureau of Shipping. The *O'Brien’s* dedicated volunteer crew members handle the daily maintenance and repairs on the ship, but it takes the expertise of a professional shipyard to meet these additional requirements.

The drydock project will preserve the fuel, potable water and feed water tanks of the *Jeremiah O'Brien*. Several of the tanks of the ship are corroded badly enough that significant loss of metal has been identified and ship structures are in jeopardy. Some plates within the tanks may have to be replaced. The work on the tanks can only be done in a qualified shipyard. Openings are made in the hull plates to do the work. The tanks must be emptied and made safe from any noxious gas. The structures require sandblasting, followed by painting with a special protective coating. Following inspection and clearance, the hull is again sealed.

This work will enable the *O'Brien* to continue to sail the Bay and share with future generations the story of the patriotic and brave men and women who built, sailed and defended the 2,710 American-built World War II ships known as “Libertys”. For more about the upcoming

drydock, please go to <http://www.ssjeremiahobrien.org/>

## History of the SS Jeremiah O'Brien

The Liberty Ship *SS Jeremiah O'Brien* was launched June 19, 1943 at the New England Shipbuilding Corporation in South Portland, Maine and operated by Grace Line for the War Shipping Administration.

Named for the first American to capture a British naval vessel during the Revolutionary War, the *SS Jeremiah O'Brien* made seven World War II voyages, ranging from England and Northern Ireland to South America, to India, to Australia. During the D-Day invasion of Normandy the ship made eleven crossings of the English Channel carrying personnel and supplies to the Normandy beaches. After the war, she was “mothballed” and laid up in the Reserve Fleet at Suisun Bay, north of San Francisco.

Thirty-three years later, skillful maneuvering by a U.S. Maritime Administration official (himself a former Liberty Ship sailor) saved the *Jeremiah O'Brien* from the scrap yard. In 1979, after hundreds of hours of labor by volunteer crewmembers to remove thick layers of preservatives, the *O'Brien* fired her engine for the first time in 33 years, and set a course for San Francisco. No other ship has ever accomplished that feat.

Generous donations of money and supplies by numerous individuals and companies, and thousands of hours of restoration work by her volunteer crew made possible her first drydock in 33 years and the old ship entered service on San Francisco Bay in like-new condition. She is a steaming memorial to the seamen of the U.S. Merchant Marine who served on Liberty ships in World War II, to their Navy gun crews, and to the civilian men and women who built the largest single class of ships in history: More than 2700 of these old-fashioned, slow, “Ugly Duckling” cargo vessels, played a critical, if unglamorous, role in winning World War II.



## Return to Normandy

In 1994 the *SS Jeremiah O'Brien*, in what was to be an epic eighth voyage, steamed through the Golden Gate, down the West Coast, through the Panama Canal, and across the Atlantic to England and France. On this trip, the ship and her crew (a remarkable collection of old salts whose average age was 70 and a few cadets from Kings Point and California Maritime Academy) participated in the 50th Anniversary of Operation Overlord – the Allied invasion at Normandy that turned the tide of World War II in Europe. Of the more than 6,000 ships that formed the original D-Day armada, the *SS Jeremiah O'Brien* was the only ship to return 50 years later.

She and her crew were reviewed by the Queen of England from the royal yacht *Britannia*, inspected by President Bill Clinton, and honored on both sides of the English Channel. She was mobbed by thousands of visitors, eager to see again one of the ships that had brought, food, medicine and supplies to their countries.

Returning across the Atlantic, her first U.S. port of call was her birthplace, South Portland, Maine. After visits to other East Coast ports and after six months and 18,000 miles, the *SS Jeremiah O'Brien* made her triumphant return through the Golden Gate. She was greeted by a shower of rose petals from admirers on the bridge, every small craft that could get underway, and a tickertape parade down Market Street for her crew.

The *SS Jeremiah O'Brien* made the entire voyage with no significant repairs and arrived at each port ahead of schedule – a tribute to the skill and dedication of the volunteer crew members who maintained and sailed her, and a testimony to her sturdy design and construction.

Donations to the *SS Jeremiah O'Brien* Drydock Fund can be made online at: <http://www.ssjeremiahobrien.org/drydock.php> or donations may be mailed to:

The National Liberty Ship Memorial  
2350 Taylor St., Suite 6  
San Francisco, CA 94133-1818

# Shipping companies look toward write offs as assets decline

Containership values continue to decline, and other liner companies could follow the decision by the Japanese carrier Nippon Yusen Kaisha (NYK) Line to write down the value of their container shipping businesses, according to the shipping analyst.

The Japanese based shipper warned this month that it would book a \$1.9 billion loss to its first half fiscal year income, after the industry’s deepening slump forced it to write down the value of container ships and other assets.

The containership write down “exceeds previous impairments recorded by other container carriers by a large margin,” Alphaliner said in its Weekly Review, adding the write down “represents almost a quarter of the total assets of NYK’s liner shipping business, which stood at 419 billion yen at the end of March 2016.”

Alphaliner said it estimates that “the top 18 carriers may need to write off some \$35 billion, assuming they were to take a 25% impairment loss on the value of their total assets.” However, Alphaliner added that “total impairment losses would vary depending on the individual carrier’s fleet composition and accounting policies.”

Another information service, Vessels Value, said during the past year, the value of a 2016-built Panamax containership with 4,250 TEU s of capacity tumbled 49.57%, while the value of a 2016-built ship with 7,000 TEU s of capacity fell 32.27%. Vessels Value noted that a majority of that decline followed the bankruptcy of Hanjin Shipping. In September alone, the value of a Panamax ship declined 31.1%, while the value of a 7,000- TEU ship fell 19.2%.

For older ships, the decline in value is even more extreme – over 60% during the past year for Panamax ships built between 2008 and 2010 and for 7,000 TEU-ships built between 2003 and 2006.

“The numbers for containerships are pretty enormous and paint a very bleak picture,” said William Bennett senior cargo shipping analyst at Vessel Value. “Oversupply is the primary cause here of which liners like Hanjin are a victim. Values have been affected by the long-term effects of the new Panama Canal marginally, but we see this effect taking hold most in the discount applied to Panamax container vessels as they become more obsolete,” he added.

However, even the value of new Panamax ships with 13,000 TEUs of capacity and ultra large containers vessels with 18,000 TEUs of capacity are affected. The values of both classes of ships built in 2016 are off more than 13% from where they were a year ago.

# MarAd to create training on shipboard behavior

The Maritime Administration has signed a \$200,000 agreement with the industry’s Ship Operations Cooperative Program for new training materials addressing shipboard sexual assault, harassment and bullying. The deliverables include computer-based trainings and a best practices tool kit. These are intended to promote a culture of zero tolerance for abusive or coercive shipboard behavior.

The package will be developed by licensed mariners from within MarAd, together with representatives from MarAd’s Civil Rights Office and a contractor experienced in addressing sexual harassment and coercive behavior in other industries.

MarAd said in a statement that the initiative is part of its broader efforts together with the Department of Transportation (DOT) and the U.S. Merchant Marine Academy (USMMA) to create an “environment of inclusion for all in the industry.”

MarAd and DOT sparked controversy in the maritime community in June when they suspended USMMA’s at-sea training component, Sea Year, citing a pattern of sexual assault, sexual harassment and coercion in the program. Many graduates and students assert that the suspension was an overreaction; Sea Year remains suspended indefinitely for midshipmen on commercial vessels, pending a consultant’s review of the school.

In announcing the independent review and the continued suspension of Sea Year on commercial ships, DOT spokesman Michael Novak said that “the more we dug into the problem, the more evident it became that the inappropriate behaviors we are trying to stem at sea cannot be addressed without addressing the campus culture.”

DOT has hired the defense and government consulting organization Logistics Management Institute (LMI) to conduct the study.

## ESU Office Assignments

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



# ESU NEWS

OCTOBER 2016

Official Publication of the Exxon Seamen's Union

# 2016 election of ESU officers underway

Ballots for the 2016 ESU election of Union officials were mailed to the membership in early October. Positions up for election this fall are the Vice President/Treasurer position, all three Trustee positions and Ship Representative positions for the *American Progress*, and the *Liberty Bay*. The voting period began on October 7, and will conclude on December 6, 2016, when the ballots are due at the American Arbitration Association office in New York. Following notification to the ESU office on December 6, the results will be promptly announced to the membership.

On the official ballot, all candidates are listed in alphabetical order as per the ESU Constitution and Bylaws. The only position contested in this election cycle is the Ship Representative position for the *S/R American Progress*, where Michael Harrison and Wilbert Jackson are running for the position. This year Leo DeCastro ran unopposed for the office of Vice President/Treasurer, AB Jeff Harris ran unopposed for the Deck Department Trustee, Pumpman William Ackley ran unopposed for the Engine Department Trustee and Joel Mitchell ran unopposed for the Steward Department Trustee. Joe Buffington was also unopposed for the Ship Rep. position aboard the *Liberty Bay*.

Ballots were addressed individually to each eligible voter and should have arrived to you on board the vessel or at your home. If you did not receive a ballot, please see your ESU Ship Representative or call the Union office. Remember, an eligible voter is one whom has been a member in good standing at least 90 days prior to the start of the election.

The ESU thanks all the candidates involved for their support and willingness to serve the membership. At a minimum, their willingness to serve should be recognized by every member casting a ballot during this important election for our Union. All ESU members are encouraged to participate in the elective process and strive for 100% voter participation in this election. PLEASE VOTE!

# 2017 Open enrollment for healthcare plans

The annual open enrollment for ExxonMobil Medical, Dental, Vision and Pre-Tax Spending Plans begins on October 24, 2016 and runs through November 11, 2016. Employees will be advised of plans changes through annual enrollment materials, currently scheduled for release by the third week of October. All employees should receive the 2017 Benefits Open Enrollment booklets and forms from benefits administration around the October 24, 2016 start date. Your booklet, as it was last year, will contain options specific to each employee and the information will be sent to wherever the person is (i.e. home on paid leave or on assignment on the vessel). The ESU was also informed that each vessel will receive copies of all the booklets and forms for use if anyone did not receive their own packet. Additionally, should anyone need assistance or has any questions about their benefit plans and availability they can contact Benefits Administration at 713-680-5858 or 800-262-2363.

## Ship reports

### S/R American Progress

ESU Board officer John Straley visited the vessel at ExxonMobil Refinery in Baton Rouge, LA, on October 17. The vessel was loading gasoline and diesel cargos for discharge at Tampa and Port Everglades, FL. Tentatively, the next load port is again scheduled for Baton Rouge. Regular Ship Rep. Michael Harrison aboard and reports everything going well.

### Eagle Bay

Board officer John Straley visited the vessel at Shell in Anacortes, WA, on October 14. The ship was discharging the first part of a split discharge with the 2nd half slated for delivery to Valero in Benicia, CA. Regular Ship Rep. Thor Floreen aboard and reports everything is going smooth.

### Liberty Bay

Board Officer John Straley visited the vessel at anchor in Port Angeles, WA, on October 12. The vessel was in Port Angeles for a couple of days for routine maintenance and hull inspection, including underwater cleaning/polishing of the ship's propeller. After Port Angeles the ship sailed for Valdez to load for discharge in Long Beach around the end of the month. Peter Flaherty filling in with the Ship Rep. duties and reports no problems at the present time.

# Tragedy in South LA

The ESU Board and Membership extends its deepest condolences to the family of our ESU brother, AB Ernesto Evangelista. On September 26, 2016 his father, Florenio Evangelista (78) and mother Cristeta Evangelista (76) were killed while waiting at a bus stop on Figueroa Street in South Los Angeles. Ernesto's sister was also severely injured but is out of the hospital now and recovering from her injuries.

According to the authorities, the incident happened when a car crashed into another vehicle, which pushed it into a bus stop where Mr. and Ms. Evangelista were sitting with their daughter. The driver of the car that cause the accident left his car and ran away from the scene, while the second vehicle driver stayed in the area to assist and cooperate with the authorities for an initial investigation. It is the ESU's understanding that the hit-and-run driver has now been appended and is in custody with a hearing scheduled sometime in November.

ESU members from the fleet and shore have donated money to help Ernesto with the significant financial costs of burying his parents. If you would like to make a donation you can send to:

Exxon Seamen's Union  
c/o Ernesto Evangelista  
PO Box 754  
Seabrook, T. 77586

Sadly, there are no words that can comfort Ernesto and his family members as they cope with such a tragic loss. Our thoughts and prayers are with the Evangelista family during this difficult time.

# Two ESU members retire

The Union has been notified that two longtime ESU members have retired recently from SeaRiver Maritime.

Able Seamen Ed Stockel retired on September 25, 2016, with over 37 years of Company service. Ed began his Exxon service on August 6, 1979, first with the uranium mines owned by Exxon Minerals Company before transferring to Exxon Marine in late 1981. His first assignment was as Ordinary Seamen aboard the *Exxon Philadelphia*.

Indicative of Ed's long tenure, he started his sailing career at a time when Exxon still carried three Ordinary Seamen. Ed became aware that the Ordinary position was on the way out so he got his AB endorsement and was quickly promoted up. During Ed's career he sailed throughout the fleet and says he made over 50 transits through the Panama Canal on various ships including those in the Hondo trade.

Ed's last vessel assignment was on the *S/R American Progress* where the crew honored his accomplishment and contributions with a traditional shipboard retirement ceremony.

Fleet Chef Randy Rockel retired on October 1, 2016, with over 35 years of Company service. Randy began his service with Exxon Marine and started his career on September 10, 1981, aboard the *Exxon Boston* as a Utilityman in the Steward's Department.



Randy came to the shipping fleet with culinary training from the Johnson and Wales culinary school in Providence, RI, which enabled him to quickly move up the Steward Department ranks to the position of Fleet Chef.

Randy's last vessel assignment was the *S/R American Progress* in June. Randy intended to make one more trip before retirement, but a short stint on sick leave prevented those plans. Randy retirement plans include travel and summer vacations at a second home in Outer Banks, NC.

On behalf of the membership, the ESU wishes Ed and Randy fair winds and following seas and the best of luck in their retirement years. We thank them for their many contributions and support of the ESU and wish all the very best as they begin a new chapter in their lives.

## EXXON SEAMEN'S UNION

Founded March 28, 1941

Affiliated with the Sailors' Union of the Pacific

P.O. Box 754, Seabrook, TX 77586

Tel (832) 295-3047 Fax (832) 201-0441

E-Mail: esusea@sbcglobal.net

President/Secretary John Straley

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

## SUMMARY ANNUAL REPORT FOR SUP MONEY PURCHASE PENSION PLAN

This is a summary of the annual report for SUP Money Purchase Pension Plan, EIN 94-3134523,

Plan Number 001, for the year ended December 31, 2015. The annual report has been filed with the Department of Labor, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

### Basic Financial Statement

Benefits under the plan are provided by a trust fund. Plan expenses were \$2,247,441. These expenses included \$231,687 in administrative expenses and \$2,015,754 in benefits paid to participants and beneficiaries. A total of 968 persons were participants in or beneficiaries of the plan at the end of the plan year, although not all of these persons had yet earned the right to receive benefits.

The value of plan assets, after subtracting liabilities of the plan, was \$30,458,979 as of December 31, 2015 compared to \$30,865,764 as of January 1, 2015. During the plan year, the plan experienced a decrease in its net assets of \$406,785. This decrease includes unrealized appreciation or depreciation in the value of plan assets; that is, the difference between the value of the Plan’s assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year. The plan had total income of \$1,840,656, including employer contributions of \$1,996,146, losses from investments of \$255,438 and other income of \$99,948.

### Minimum Funding Standards

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

### Your Rights to Additional Information

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

To obtain a copy of the full annual report, or any part thereof, write or call the office of SUP Welfare Plan Inc., who is the plan administrator, 730 Harrison Street, Suite 415, San Francisco, California 94107, telephone 415-778-5490. The charge to cover copying costs will be \$3.75 for the full annual report or \$0.25 per page for any part thereof.

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

You also have the legally protected right to examine the annual report at the main office of the plan, 730 Harrison Street, Suite 415, San Francisco, California 94107, and at the U.S. Department of Labor in Washington, DC, or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: Public Disclosure Room, Room N-1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D. 20210.

## SUMMARY ANNUAL REPORT FOR SUP 401(k) PLAN

This is a summary of the annual report for SUP 401(k) Plan, EIN 94-3134523, Plan No. 002, for the year ended December 31, 2015. The annual report has been filed with the Department of Labor, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

### Basic Financial Statement

Benefits under the plan are provided by a trust (benefits are provided in whole from trust funds). Plan expenses were \$614,909. These expenses included \$95,428 in administrative expenses and \$519,481 in benefits paid to participants and beneficiaries. A total of 669 persons were participants in or beneficiaries of the plan at the end of the plan year, although not all of these persons had yet earned the right to receive benefits.

The value of plan assets, after subtracting liabilities of the plan, was \$7,527,096 at December 31, 2015, compared to \$7,520,970 as of January 1, 2015. During the plan year, the plan experienced an increase in its net assets of \$6,126. This increase includes unrealized appreciation or depreciation in the value of plan assets; that is, the difference between the value of the plan’s assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year. The plan had total income of \$621,035, including employer contributions of \$40,443, participant contributions of \$549,211, earnings from investments of \$9,350 and other income of \$22,031.

### Your Rights to Additional Information

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

To obtain a copy of the full annual report, or any part thereof, write or call the office of SUP 401(k) Plan, at 730 Harrison Street, Suite 415, San Francisco, California 94107, telephone (415) 778-5490. The charge to cover copying costs will be \$4.00 for the full annual report or \$.25 per page for any part thereof.

You also have the legally protected right to examine the annual report at the main office of the plan at 730 Harrison Street, Suite 415, San Francisco, California 94107, and the U.S. Department of Labor in Washington, DC, or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: Public Disclosure Room, N-1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, DC 20210.

# Welfare Notes

## October 2016

### Announcement of Investment Changes

To Plan Participants and Beneficiaries of:

#### SUP Money Purchase Pension Plan and SUP 401(k) Plan

##### Investment Change Announcement Explanation

The Plans’ investment committee recently met to review the performance of the Plans’ investment choices. If an investment choice does not meet the established minimum standards, the committee reviews other alternatives with similar investment objectives to discuss possible replacement options. This important notice is to inform you that the SUP Money Purchase Pension Plan and the SUP 401(k) Plan will be making changes to the Plans’ investment options as outlined below. This change is scheduled to go into effect the week of 11/14/2016.

Morningstar				
Category	Prior Fund	Ticker	New Fund	Ticker
Stable Value	RTC MetLife Ser 25053 CI 35	MET35	The Standard Stable Asset A	XSAFA

The fund(s) below will be added to your plan and accessible to plan participants the week of 11/14/2016.

Ticker	Fund Name
XSAFA	The Standard Stable Asset A

##### How will this affect me?

During the week of 11/14/2016, assets invested in the prior fund will automatically be transferred to the corresponding replacement fund shown above. In addition, all of your directives for investing future contributions in the prior fund will automatically be changed to the corresponding replacement fund.

##### Do I need to take action?

No. However, if you want to make changes to your account you can:

- Change your investment directives to ensure that future contributions are invested in the investment option of your choice.
- Transfer any balance in this fund to the investment option of your choice.

These changes can be made either by:

- Using Personal Savings Center at [www.standard.com/retirement](http://www.standard.com/retirement)
- Calling a customer service representative at 800.858.5420.

##### Who can I contact with questions about these changes?

If you have questions, please contact a customer service representative at 800.858.5420.

**Plan sponsors and participants should carefully consider the investment objectives, risks, charges and expenses of the investment options offered under the retirement plan before investing. The prospectuses for individual mutual funds and each available investment option in the group annuity contain this and other important information. Prospectuses may be obtained by calling 800.858.5420. Please read the prospectus carefully before investing. Investments are subject to market risks and fluctuate in value.**

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

## Membership and Ratings Committee

The Committee met on October 11, 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
Denny Silva	7527	6 Years	A.B. A
Paul Purugganan	3880	6 Years	A.B. A
Larry Moses	19468	1 Year	A.B. B
Gonzalo Sarra	19469	1 Year	O.S. B
Jeffer Baguio	19470	1 Year	A.B. B
Faye Orosz	19471	1 Year	O.S. B
James Rouse	19472	1 Year	A.B. B
Tracey Lay	2633	30 Days	A.B. C
Gabe Moreno, Jr.	2634	30 Days	O.S. C
John Relojo	2635	30 Days	O.S. C
Ignacio Estrada	2636	30 Days	O.S. C
Robert Richard	2638	30 Days	O.S. C
Bosun Stamp - None			
Membership and Ratings Committee’s Report: M/S/C to concur in the Committee’s report. Membership and Ratings Committee: Bill Berry #5719, David Larsen #19078, and John Linderman #4094.			

# Jones Act protects U.S. maritime interests, Customs official says

Without the Jones Act, thousands of foreign-flagged vessels would enter U.S. waterways and the Coast Guard and U.S. Customs and Border Protection (CBP) would be overwhelmed. That’s one of the messages that Michael Hebert of the CBP’s Jones Act Division of Enforcement (JADE) delivered to about 200 attendees at the Offshore Marine Service Association quarterly meeting in New Orleans.

JADE was created in an effort to present a uniformed approach on issues involving the Jones Act, working in partnership with industry stakeholders in the enforcement of the act, along with all other coastwise trade laws.

“The Jones Act is there to protect the maritime interests of the U.S.,” said Hebert, who is based in New Orleans. “The industry has been responding to this, saying we’ve been needing it.” Three of JADE’s major goals are establishing training to DHS agencies and outreach to industry parties, providing uniformity across CBP and the industry regarding coastwise trade, and offering information and guidance. “Our federal laws extend to the seas,” said Hebert. “CBP enforces coastwise laws and the Coast Guard determines vessel eligibility for coastwise endorsement and issues certificates of documentation.”

JADE’s field office in New Orleans is set up to assist CBP and industry partners with issues concerning coastwise trade and the goal of being a clearinghouse for all coastwise trade issues.

The new division is staffed by a team of Jones Act experts to assist industry partners with questions and concerns about coastwise trade. All formal ruling requests will continue to be forwarded to Regulations and Rulings, Office of Trade.

# Another crew unpaid working in Aussie waters helped by ITF

For the second time in as many months, the Australian Maritime Safety Authority (AMSA) has detained a foreign-owned vessel off Gladstone in central Queensland. AMSA acted against the Indian-owned *Maratha Paramount* on October 14, after an inspection of the bulk carrier by the International Transport Workers Federation (ITF).

ITF National Coordinator Dean Summers says the captain admitted the 22 Indian crew had not been paid for more than two months. “Our inspector found that the ship was pretty shoddy,” said Summers. “The inspector went straight to the captain’s accounts and the wages and found that even though the captain had asked the crew to sign off on receiving the wages, nobody had received wages since the end of July.”

The inspector also found the ship was poorly maintained, and the crew was running out of food. “There was only a very scant amount of food, I think three bags of frozen vegetables, half a bag of rice and little else,” said Summers. “The quality of water was the color of tea, and it looked just absolutely disgraceful.”

Four days after its detention by Australian authorities, the ship’s owners paid the crew and met a series of other conditions. The *Maratha Paramount* is registered in the Marshall Islands. It was chartered by Pacific Aluminium, a wholly owned subsidiary of Rio Tinto, to transport alumina from Gladstone to Newcastle.

It is the second time this year Rio Tinto has been linked to a foreign vessel detained for not paying crew. In August, AMSA detained the Hong Kong-owned *Fujian Five Stars* with a \$10 million cargo of coal. It had been abandoned off Gladstone, along with its unpaid crew, for more than a month. The crew of 20 had insufficient food and had not been paid for five months. Emergency provisions were sent to the cargo ship twice before the owners finally obeyed AMSA’s order to pay the crew and provision the ship for its journey to China.

In February, the Australian crew of

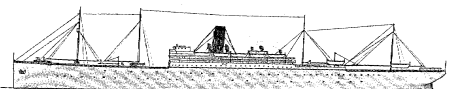
bulk carrier *CSL Melbourne* was ordered off the ship by police and security guards while it was docked in Newcastle. The ship had transported alumina from Gladstone to Newcastle for Pacific Aluminium for eight years. In its place, Pacific Aluminium has used foreign-owned vessels with temporary licenses, according to the ITF.

“Pacific Aluminium has chartered a whole range of foreign-owned ships to replace that one single Australian ship,” Summers says. “When we get access to those ships we can find some pretty disgraceful conditions on board. Sometimes they don’t even sign up to international minimum standard for conditions and wages, and that’s very alarming, particularly when seafarers are hurt or injured.”

The temporary license scheme, under which the *Maratha Paramount* is able to operate in Australian waters, was introduced by the federal government in 2012. The licenses are valid for 12 months, and the number of voyages under a license is unlimited.

“We’re now surpassing 8,000 voyages since June 2012 when the system started,” said Chris McGuire, director of maritime consultancy firm Strategic Marine Group. “As time goes, on we’re transporting more and more cargo via the temporary licenses. “We can just look at the number of vessels in Australia. There have been some specific vessels that have left the coast over the last 12 to 18 months, including *CSL Melbourne*. They’re being replaced by temporary licenses.”

The ITF is calling on resource companies to support domestic shipping. Summers says companies like Pacific Aluminium need to step up. “They need to play a bit more of a positive role and ensure the ships they charter are of a high quality and at least pay their crew and feed their crew, and allow the ITF to check that,” he said.



# Maud prepared for return to Norway

The famed polar ship *Maud* was raised from the seabed in Cambridge Bay, Canada, over the summer and is now being readied for the journey home to Norway. *Maud*, named for Queen Maud of Norway, was a ship built for Roald Amundsen for his second expedition to the Arctic.

*Maud* was launched in June 1916, and in the summer of 1918, Amundsen departed from Norway. His ambition was to sail into the high north and deliberately get stuck in the ice and then function as a floating scientific research station as well as trying to drift across the North Pole. *Maud* spent several years in the Arctic ice without reaching the North Pole, but the years spent in ice contributed to invaluable scientific research about the Arctic.

After two winters and three summers in the Northeast Passage, the *Maud* expedition arrived at Nome, Alaska, in July 1920. A new attempt to sail further north from the Bering Strait resulted in yet another wintering in the ice without the *Maud* having reached far enough north into the east-west current. She returned to Seattle in August 1921 where Amundsen left the expedition.

The *Maud* expedition continued for three more years under the command of Oscar Wisting, still without reaching the current across the Arctic Ocean. When they again arrived at Nome in August 1925, they were met by creditors whom Amundsen was unable to pay. Wisting managed to get the ship away, but when they arrived in Seattle in October 1925 the ship was again seized by creditors. *Maud* was sold to the Hudson Bay Company and ended up as a floating warehouse and a wireless radio station. The ship sunk at its mooring in 1931.

Maud Returns Home is an initiative to bring the remains of *Maud* back to Norway where she was built nearly 100 years ago. “She came, slowly, with grace, just like a Queen would,” said project manager Jan Wanggaard. “The *Maud* expedition story, and the story of Amundsen himself, is powerful and full of endless tales about human beings with strong will and courage to push limits and explore the mysteries of life and nature,” he said.

Tons of mud have now been dug out from every room so that she can be towed out next summer. A Maud Museum in Vollen, which is near Oslo, will present the remains of the ship. The towing distance from Cambridge Bay in Canada to Vollen in Norway is estimated to approximately 3,700 nautical miles, which at an average speed of five knots will be a journey of 30 days duration.

# Can you be too old to donate blood?

In general, you can never be too old to donate blood. Though you can be too young or too thin. The American Association of Blood Banks used to bar people over 65 from donating blood, but it scrapped the rule in 1978 after studies found that older people who stored their own blood before surgery did well, said Dr. Steven Kleinman, the association’s senior medical adviser. Now most blood banks are happy to accept blood from older volunteers.

“We found over time that individuals who are older do just fine donating blood, as long as they don’t have certain medical conditions that make them ineligible,” said Dr. Ross Herron, the Chief Medical Officer of the West Division of the American Red Cross, which collects 40% of the blood supply in the United States.

Individual blood banks and states, though, can impose additional regulations. New York, for example, requires hospitals and blood centers to review the eligibility of would-be donors over the age of 75 on a case-by-case basis.

And all prospective blood donors are asked to fill out a health history questionnaire to rule out medical problems that bar them from donating, such as dementia, a recent history of cancer or heart disease, viral hepatitis, HIV, and heart rhythm disorders like atrial fibrillation. Taking certain medications will also make you ineligible.

Blood banks also require donors to weigh at least 110 pounds, and more in some cases. Minimum weight and height requirements are also typically imposed on younger adults and minors, who often require parental permission. Bloodworks Northwest, for example, requires first-time donors who are 16 and 17 to weigh at least 114 pounds. Young people, especially those who are underweight, are more prone to fainting, the most common complication of giving blood, than older donors.

Blood donors may also be rejected for other reasons, including intravenous drug use or a history of certain infections or travel to areas where certain infections are common. New safeguards are being implemented to screen all blood donations for Zika virus. The Food and Drug Administration also bars men who have had sex with men within the past year from donating blood.

ATTEND YOUR MONTHLY  
SUP UNION MEETINGS!





# SUP President's Report

October 11, 2016

Continued from page 1

## MARITIME SECURITY PROGRAM

On September 28, Congress passed and President Obama signed stopgap legislation to fund the federal government through December 9.

The measure, known as a CR or Continuing Resolution, contains a provision that unfortunately funds the Maritime Security Program (MSP) at the existing Fiscal Year 2016 level or \$3.5 million per ship including the nine MSP vessels operated by SUP-contracted APL Marine Services.

Congress previously authorized \$300 million for the Maritime Security Program for Fiscal Year 2017, an amount that would provide a subsidy of \$5 million to each vessel enrolled in the program.

When Congress reconvenes after the November election, the SUP along with the rest of maritime labor and our supporters in Congress will work to ensure that the final Fiscal Year 2017 funding legislation includes the \$300 million for this critical program.

## JONES ACT

The Jones Act (Merchant Marine Act of 1920) periodically comes under attack whenever a situation gives an opportunity to its enemies to charge in Congress and the media that the Act is an impediment or its cause. Examples last year ranged from Senator John McCain's (R-Arizona) attempt to gut the Act by introducing an amendment to the Keystone Pipeline bill to the tragic sinking of the Jones Act container ship *El Faro* to the debate over Puerto Rico's debt. And, there are always groups in Hawai'i, Guam and Puerto Rico that constantly call for the Act's repeal.

Repealing the Jones Act would decimate the U.S. Merchant Marine. The requirements that vessels carrying cargo between American ports be built in the United States, crewed by U.S. citizens and fly the American flag are key to the nation's national security and the jobs the Act reserves for Americans.

Fortunately, there is an organization that is dedicated to protecting and promoting the Jones Act. The American Maritime Partnership, a group comprised of labor and management, is at the forefront in advocating for the Act and rebutting its critics.

As a member of the American Maritime Partnership (AMP), represented the SUP at the organization's annual meeting in Washington, D.C. on September 20 and 21.

Among many topics discussed is the role of the U.S. Customs and Border Protection (CBP) and the Coast Guard in enforcing the Act. Customs recently established an in-house unit called JADE or the Jones Act Division of Enforcement which is good start, however, JADE's office is located in New Orleans and has a small staff. The participants at the meeting set a goal of expanding JADE and giving it proper funding.

Your secretary was also part of a group that called on John Rayfield, the Republican Majority Staff Leader of the House Transportation & Infrastructure Committee and his Democratic counterpart Dave Jensen. Both Rayfield and Jensen assured the group that the vast majority of Congress was in favor of the Jones Act, but constant vigilance is necessary.

## AMERICAN PRESIDENT LINES

### APL Guam

As reported in a front page article in the March issue of the *West Coast Sailors*, Arbitrator Margaret Brogan ruled on February 9, that APL violated the collective bargaining agreements of the SUP, MFOW, MEBA and MM&P when the company crewed the *APL Guam*, a Maritime Security Program (MSP) replacement vessel, with labor from the SIU-A&G and the AMO. Based on the award, APL removed the SIU-A&G unlicensed deck

and engine room personnel and replaced them with SUP and MFOW members. The same thing happened topside with MEBA and MM&P licensed personnel relieving the AMO.

The second part of the award involved the payment of damages for the 89 days the *Guam* was operating without the SUP, MFOW, MEBA and MM&P. For the SUP, the amount agreed upon with APL was \$293,442.93. On September 29, the Union transferred funds to the following benefit plans:

- 1) SUP Welfare Plan: \$58,505.04 – distributed as follows:
  - a) Regular Account: \$51,541.68
  - b) Special Account: \$3,697.26
  - c) PHS Replacement Program: \$1,068.00
  - d) QPQ Fund: \$614.10
  - e) Special Pensioners Medical Benefit: \$1,602.00

In addition, the SUP made an extra contribution to the SUP Welfare Plans' Special Account in the amount of \$165,154.11. This account was funded in 1972 and 1975 as per Sections 29(c) and 29(d) of the General Rules with APL and Matson to buy new benefits that are not guaranteed by the companies. These benefits include: 15% of HMO medical/dental premiums and co-pay reimbursements; \$20,000 of the \$25,000 Death Benefit; Hospital Daily Allowance Benefit of \$12 per day up to 20 days; In Hospital Comfort Benefit of \$4 per day with \$3 guaranteed by the companies; and \$750 for pensioner benefits.

- 2) Andrew Furuseth School of Seamanship: \$3,364.20
- 3) SUP Joint Employment Committee: \$2,937.00
- 4) SUP Money Purchase Pension Plan \$13,500 for administrative expenses
- 5) Seafarers Medical Center: \$3,604.50
- 6) SIU-Pacific District Pension Plan: \$5,340.00
- 7) SIU-Pacific District Supplemental Benefits Plan: \$1,132.08 for administrative expenses.

The remaining \$40,055.56 was retained by the Union to cover the costs associated with the arbitration (legal fees, travel, lodging, etc.).

### Direct Deposit

In bargaining with APL last year, the SUP, MFOW,

and SIU-Marine Cooks proposed language for direct deposit of wages, which the company agreed to: Section 8(d) of the General Rules.

On September 29, the company notified the Unions that direct deposit has finally been implemented fleet-wide aboard its U.S.-flag vessels. The necessary paperwork has been sent to all vessels for those who want to use this option. It must be noted that all unlicensed mariners retain the option for being paid-off in cash or by check.

## 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 third quarter of 2016, and report back to the membership at the November coastwise meetings. In the event the Committee cannot be filled today, recommend that when the quarterly audit of the Unions funds is completed, which will be in about three weeks, necessary committee members will be shipped off the hiring hall deck as per past practice.

The Quarterly Finance Committee will turn-to on Monday, November 14, at 8:00 A.M.

## HOLIDAYS

Veteran's Day: All SUP halls will be closed on Friday, November 11.

Thanksgiving Day: All SUP halls will be closed on Thursday, November 24.

## ACTION TAKEN

M/S to elect a Quarterly Finance Committee: Elected: Kaj Kristensen, Frank Portanier, Dave Larsen, Rahge Hill. Carried.

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

Gunnar Lundeberg

# Lack of proper procedures led to fatal gangway accident aboard ship entering New Zealand port

New Zealand's Transport Accident Investigation Commission (TAIC) has issued its final report into the fatal accident aboard the Hong Kong-flagged container ship *Madinah* off Lyttelton last year.

During preparations for arrival at Lyttelton, the bosun and a sailor on the *Madinah* were rigging up the vessel's accommodation ladder in preparation for docking.

The bosun sent the sailor for life vests, then independently clipped his safety harness to a wire rigged near the deck edge. He then walked out onto the ladder to put the handrails into place. In the crew's common practice this was a two-man evolution, as the rail was known to catch if it was not lifted at both ends at once.

When the bosun attempted to lift the ladder's outboard handrail, it sprung back and he lost his balance, putting his full weight onto the safety wire. It parted, and he fell off the accommodation ladder into the sea. A sailor threw him a life buoy; he was last seen swimming to close a distance of forty feet towards it. He was not wearing a life vest.

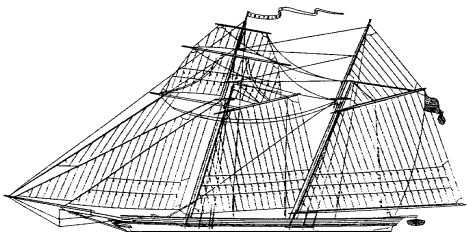
The sailor radioed the bridge to report the emergency. The master immediately ordered rudder hard to port to kick the stern away, but decided not to order additional life buoys thrown as there was already one in the water near the bosun. The captain alerted an approaching pilot boat of the accident at about 1316. The pilot advised the ship not to turn about to return to the position of the man overboard and to allow the pilot boat to conduct the search.

The pilot boat found the boson's hardhat and gloves at 1333. Authorities searched for hours by helicopter and by surface craft, but the bosun was never found.

After the search, the *Madinah* continued to her next port of call, where investigators met her and interviewed her crew.

The TAIC found several key deficiencies leading up to the accident: an absence of procedure for rigging the gangway; a failure to follow best practice in response to a man overboard situation; the use of plastic-coated wire –which may corrode inside, undetected– for a safety-critical application.

The agency also cited the UK P&I Club's recommendations for the use of both safety harness and lifejacket during the rigging of gangways: "The process of rigging the stanchions and the side ropes is inherently dangerous as there can be little for crew members to hold on to until this is completed. Crew should always wear a safety harness and lifejacket during this operation," the Club wrote in a 2014 safety bulletin.



## Australian inquest over hell-ship deaths

The Australian inquest into two of the three deaths that occurred on board the Panama-flagged *Sage Sagittarius* (dubbed the Death Ship) has heard expert opinion this month that vital voyage data recordings were most likely deliberately tampered with before being handed over to authorities.

The Sydney inquest is examining the disappearance of Chief Cook Cesar Llanto and the death of Chief Engineer Hector Collado. Llanto disappeared overboard off Cairns on August 30, 2012. Collado died two weeks later after falling 12 stories down an engineering shaft when the ship was moored at the Port of Newcastle.

Company superintendent Kosaku Monji, whose death is not being investigated, was subsequently sent to the ship to calm the crew. Monji began an audit of the deaths on behalf of Hachiuma Steamship Company, but it was cut short when his body was found mangled in a conveyor belt on October 6, when the ship was in Japan – and therefore outside the jurisdiction of the Australian inquest.

The three men died or disappeared within a 37-day period.

Naval electronics expert Mark Sanders, testified that he believed audio recordings from the days Collado and Llanto died had been deliberately deleted. The Australian authorities had requested 10 audio files to be downloaded for evidence but had only been given nine, and the date stamps appeared to have been tampered with.

The inquest also heard that the shipping company's executive director Shigeto Yoshimura said, via video link from Japan, that he didn't think there is "any sort of relationship amongst these three deaths."

The Japanese Coast Guard and the Japanese Transport Safety Board investigating Monji's death were not told of the deaths of the other two men. Yoshimura

conceded that he did not report the other deaths "probably because I did not want to delay the operation of the ship."

The inquest, which has been running since 2014, has already heard that the master of the vessel Captain Filipino Venancio Salas Jr regularly bullied galley worker Jessie Martinez. On one occasion, he allegedly punched him so hard he struggled for breath for days afterwards.

The captain also admitted to selling guns to crew members and taking a commission. Most of the crew members on board were armed. When pressed, Salas admitted to collecting the gun brochures and permits from the crew before the *Sage Sagittarius* docked in Newcastle to prevent the Australian Federal Police from finding them.

The inquest heard that Llanto may have been involved in a plan to report Salas to the International Transport Workers' Federation on arrival in Australia. Salas denied he was angry with Llanto and denied he had anything to do with his disappearance, but said he believed the man may have been murdered.

One of the crew members has also spoken out at a previous hearing saying he feared for his life after Llanto's disappearance. The man, who cannot be named, told the inquest he believed Llanto's death was neither an accident nor a suicide. The crew member spoke of an argument between Salas and Llanto a week prior to the cook's disappearance. The argument was over the captain's order to give the crew less food, a practice he believed enabled the captain to personally take the money saved.

Australian Customs and Border Protection officials raided the *Sage Sagittarius* 13 times in the three years before the deaths occurred.

## Up to 80,000 trout escape after ship crashes into Danish fish farm

A Maltese-flag general cargo vessel has hit a Danish fish farm and caused up to 80,000 rainbow trout to escape into the open sea. The vessel *Karmel*, did not sustain any damage. It was sailing from the Russian enclave of Kaliningrad on the Baltic Sea to Kolding in Denmark, collided with the fish farm between the Danish islands Funen and Jutland on October 11, aquafarming firm Snavtun Fisk said.

The trout, weighing about three kilograms (6.6 pounds) each, had been due to be slaughtered this week and were worth up to 10 million Danish crowns (\$1.5 million), said Tim Petersen, co-owner and director at Snavtun Fisk. "We will seek compensation from the shipowners," he said.

The incident could damage the sea habitat, said Danish Technical University Aqua researcher Jon Svendsen. The escapees are likely to disturb the eggs and young of wild sea trout.

The rainbow trout, not used to life in the open sea, should only survive a few months. "All sports fishermen should get out there with their gear and start fishing," Soren Knabe, director of fishing association Vandpleje Fyn, said. The trout will begin to bite after four to five days as they adjust to life in open waters, said Ulrik Jeppesen, a local angler, recalling similar previous incidents. "I see this as a bit of a tragedy (for the environment), to be honest," he said. "But I will probably make a trip or two out there."

## Adrift cargo ship rescued in Gulf of Alaska by the U.S. Coast Guard

A tugboat crew from Resolve Marine together with the U.S. Coast Guard helped rescue an adrift 400-foot cargo vessel with 12 people aboard during a multiple day operation in the Gulf of Alaska.

The Coast Guard says it received a distress call October 5 from the master of the Antiguan and Barbuda-flagged cargo ship *BBC Colorado* reporting that they had experienced a severe engine casualty, restricting their speed and maneuverability. With forecasted seas of 30-feet and winds in excess of 50 knots closing in on its location, the *Colorado* requested assistance. Located approximately 500 miles away, the Coast Guard Cutter *Morgenthau* was diverted to assist.

While en route, the *Morgenthau's* crew worked to create a rescue assistance plan for the *Colorado* as the Coast Guard issued a marine assistance request, leading to the response from Resolve Marine's Dutch Harbor-based *Resolve Pioneer* tug, which departed Dutch October 7.

Once within range of the *BBC Colorado*, the *Morgenthau* crew launched a helicopter to evaluate the condition of the distressed cargo ship, capture images of the vessel, and make radio contact with the master.

The *Resolve Pioneer* arrived on scene October 8 and set up tow with the *BBC Colorado* bound for Seattle.

## Vice President's Report

October 2016

In addition to the routine duties of the Front Office at SUP HQ, checked the following ships/units:

**APL Belgium:** Dennis Sumague, delegate. Clarification on Dutch Harbor gangway security watchstanding: absent some agreement regarding time back arrangements the work is properly assigned to watchstanders.

**APL Korea:** Paul Harsany, delegate. Pursuing disputed delayed sailing with management.

**APL China:** Janan Johair, delegate. OT sheets should be returned in a timely manner, i.e., within a few days so that disputed time can be understood in near-term context. Unsanitary conditions under investigation.

**APL Coral:** Spencer Thompson, delegate. Clarification on port prep, STCW work and rest hours, call-outs. This ship is remaining on the AS1 run but APL Agate will shift to 35 day CIX run with two new port calls in Nhava Sheva and Pipavav, India.

**USNS Charlton:** Kelly Eggers relieved by Joe Nugent as bosun. Company agreed with the Union proposal to discontinue manned lowering of lifeboats and will update their safety manual. Delegates take note: before the drill inquire about lifeboat expectations, inform shipboard management of Company agreement with Union proposal to not man the boats during the lowering, and report to the Union any plans to the contrary.

**USNS Dahl:** Matt Doyle, delegate. Clarification on sanitary procedures on the mess deck and proper attire on deck. Relief dispatches underway.

**USNS Gilliland:** Mark Acord, delegate. Activated with full crew for sea trials in Baltimore. Clarification on travel policy. Paid off 10/3 with no beefs.

**Manulani:** David Schulman, delegate. Routine maintenance or sanitary is not "necessary work" required under Section 9(b) of the SUP Work Rules. Update on arbitration decision sent to all Matson ships. See President's Report.

**Kauai:** Izzy Idris, delegate. Collected OT claim with management on stores beef in Hawaii where sailors were on the dock loading frozen voyage stores by the gangway (still no stores crane repair).

**Mississippi Voyager:** Paul Seager, delegate. Clarification on lodging in a Singapore shipyard. Eastbound now for U.S. West Coast.

**Foss Maritime Company:** JD Rymel and Tom Tynan, delegates. Pursued reinstatement of tankerman without immediate success.

**San Francisco Bar Pilots:** Mike Koller, delegate. Jean Paul Root now the steady cook in P/V San Francisco. Preparations for bargaining later this year are underway.

Dave Connolly

## Russia plans super icebreaker

Russia is designing a super-icebreaker capable of navigating through ice 16-feet thick. The vessel, expected to have a 110 megawatts power unit, was announced by Deputy Prime Minister Dmitry Rogozin said at a conference held last week in Moscow by the Russian International Affairs Council.

Local media reports Rogozin saying: "We will be able to use the Northern Sea Route year-round and in any weather conditions, breaking through the ice not only for existing Arctic vessels but also for the largest gas carriers." Rogozin said the government viewed the Arctic as a testing ground for innovation and that new materials and fuel designed for use in extremely low temperatures will be tested in the Arctic in the next few years.

During the winter, the ice along the Northern Sea Route varies in thickness from 13.9 to 6.5 feet. The ice in central parts of the Arctic Ocean is on average 8.2 feet thick. *Arktika*-Class nuclear-powered icebreakers can force through this ice at speeds up to 10 knots



Wilmington Branch Agent Leon Gandy and SUP Controller Jihan Johnson, square-away the computer at the Branch last month. Photo: Dave Connolly.

# SUP Branch Reports

## Seattle

September 19, 2016

Shipping: 2 Boatswains to Navy ships filled with B cards; 7 Able Seaman jobs shipped and filled with 1 A-cards, 3 Bs and 3 Ds; 1 OS to a C card; and 4 standbys to 4 A-cards.

Registration: 5 A cards for a total of 12; 8 B cards for a total of 26; and 4 C cards for a total of 9.

### Ships Checked

Matson vessels *MV Manoa* and *MV Mahimahi* called twice in Seattle with little or no problems. The Patriot vessels: *USNS Yano*; *USNS Gordon*; *USNS Pomoroy*; *USNS Gilliland*; *USNS Soderman*. And the *APL Philippines* all called Seattle for crew replacements.

I represented the SUP/MFU at the following meetings: The Puget Sound Ports Council, Maritime Trades Department AFL-CIO meeting, the Martin Luther King Central Labor Council Executive Board meetings, and a Labor/Management meeting with Port of Seattle Executive Director Ted Fick.

Please make sure you are registered to vote. Call your Union agent and ask where to volunteer to phone bank or help in any way to elect Labor friendly candidates. Check to see if your legislators support the “Jones Act”. And Please vote!

Vince O’Halloran  
Branch Agent

## Wilmington

September 19, 2016

Shipping: Bosun: 5, AB: 5, AB Maint.: 9, standby: 52. Total jobs shipped: 71.

Registrations: A: 34, B: 33, C: 13, D: 13.

### Ships Checked

*APL Philippines* – New crew no beefs.

I would like to thank the membership, for their vote of confidence in me to take over as agent. I will do my best to get things in order. It’s a work in progress, I am still learning.

Leighton Gandy  
Branch Agent

VOTE!  
for  
Labor’s  
candidates  
NOV. 8

## Honolulu

September 19, 2016

Shipping: Shipped the following jobs in the month of September: 1 Bosun return, 1 AB Day steady, 1 AB Day return, 1 AB Watch steady, 1 AB Watch return, 1 AB Maintenance steady and 1 OS Watch. The shipping jobs were filled by 5 A cards, 1 B card and 1C card. Shipped 42 standby jobs. The standby jobs were filled by 14 A cards, 15 B cards, 12 C cards, and 1 D card.

Registered in September: 5 A cards, 6 B cards, 3 C card and 7 D cards. To date totaled registered: 7 A cards, 15 B cards, 10 C cards, 7 D cards.

### Ships Checked

I visited the *R.J. Pfeiffer*, *Manukai*, *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 a meet and greet with Stanley Chang, who is running for the Hawai’i state senate against Republican Sam Slom. Chang is a champion of SUP values and any SUP member who lives in his district (Hawai’i Kai) should vote for him.

I would like to thank Jay Loe for filling in for me while I went to Vancouver, WA for my niece’s wedding. Keri was a beautiful bride and her husband was cool.

Once again, I will ask the SUP membership to remember to vote this election. We do make a difference if we stick together and vote. Mahalo,

Michael Dirksen  
Branch Agent

## Business Agent’s Report

October 11, 2016

**Florida Voyager-** In at Richmond Long Wharf. Ship’s been on a steady run between Richmond and El Segundo. Good gang, running smoothly with Michael Fox, Bosun, and David Fadoul as delegate.

**Oregon Voyager-** In and out Richmond Long Wharf running north to Portland and then south to San Pedro - been on a steady run up and down the coast with Ron Gill, Bosun.

**California Voyager-** Departing Singapore shipyard outbound for the West Coast. Shipyard period always tough as you never know what to expect. Thor Erikson, Bosun.

**Mississippi Voyager-** Last heard, the ship sailed for Honolulu to discharge cargo. Load bunkers and sailed for Singapore shipyard with Bosun Kenneth Dooley.

(Send proposals for the upcoming negotiations with Chevron to the SUP hall at 450 Harrison St., SF, CA 94105.) The current Agreement expires January 31, 2017.

**APL Korea-** In Saturday, Oak#56. Disputed OT, delayed sailing, Chief Mate doing sailors work. Voyage stores clarification. On here these ping pong playing meat swingers don’t realize these (Topside) are same people that will cut and dispute your OT. Any in-house beefs we keep it on our deck! We don’t run to topside!! Paul Harsany, delegate and Jimmy Alaron as Bosun.

**APL Belgium-** In at Oakland #58. Big turnover this trip. Shipped Nick Hoogendam as Bosun relieving Dennis Belmonte along with four ABs. Ship’s been running steady since she’s been back on Trans-Pacific run. Now scuttlebutt has the ship going into shipyard in December subject to change. Delegate, Christopher Go.

**APL Philippines-** In on the weekend Oak#56 no beefs, running smoothly with relief Bosun Bob Burns, Jennifer Corner as delegate.

**Matsonia-** In at Oakland#62 sailed for Honolulu on a steady milk run, clarification on voyage stores. The latest rumors has this ship running out of LA some time in December for 60 days. Subject to change. Paul Fuentes, Bosun, Mick McHenry, delegate.

**Manoa-** Sailed for Honolulu with no beefs Marc Calario, Bosun Duke Maringer, delegate.

**Mahimahi-** In and out Oakland#62 with no beefs Remoni Tufono, Serang. Arsenio Purgnan, delegate.

**Kauai-** In at Oak#62 Running steady. Robert Reed, Bosun, Izzy Idris, delegate.

**Cape Henry, Cape Orlando, Admiral Callaghan-** Checked in with these ships; little or no beefs.

**Cape Horn-** Getting into a routine on here things go alot smoother when working together. Bosun Joel Schor.

**Cape Hudson-** Hosted an open-ship invitation to the public to come aboard and enjoy the breathtaking view of the Blue Angel’s on the deck of the ship. Things worked out with Bosun Mike Worth.

**Pier#9-** Training is in full swing its very essential to get these Operator’s trained up and ready to go for the winter.

Dispatched and worked in front office.

Roy Tufono

## Saudi Arabia to build world-class shipyard

Royal Haskoning DHV UK and Hyundai Engineering & Construction have been selected to perform the Front-End Engineering Design (FEED) for the infrastructure of a world-class and globally competitive maritime yard in Ras Al-Khair, Saudi Arabia.

The maritime yard will comprise a distinct shipyard facility for large shipbuilding, large ship repair, offshore rigs fabrication, and offshore support vessel repair. As planned, this facility will become the largest maritime yard in the world providing a range of services. It will be located north of Jubail on the Arabian Gulf.

The maritime yard will have a range of facilities including seven fully-equipped drydocks, two basins and five piers, a ship lift system, workshops, warehouses, utility services areas, as well as office buildings, living quarters and recreational facilities for more than 10,000 workers.

Royal Haskoning DHV undertook the initial market study for the maritime yard in 2014. The FEED development work is now scheduled to take five months.

The complex, which is due to be fully operational by 2021, is part of Saudi Arabia’s sweeping economic reform plan aimed at reducing the dependence of the Saudi economy on oil revenues.

Saudi Aramco, the state oil giant in charge of the project, has said it expects the complex to create 80,000 jobs and allow Saudi Arabia to reduce its imports by \$12 billion while increasing gross domestic product by \$17 billion.



SUP members Emani Vili, Maea “Jay” Loe, and Emo Aulelava, flank Congresswoman Tulsi Gabbard at Honolulu’s Labor Day picnic last month.

## Dispatcher’s Report

Headquarters—Sept. 2016

Deck	
Bosun.....	4
Carpenter.....	0
MM .....	4
AB .....	14
OS .....	3
Standby .....	14
Total Deck Jobs Shipped .....	39
Total Deck B, C, D Shipped.....	29
Engine/Steward	
QMED .....	0
Pumpman.....	0
Oiler.....	0
Wiper.....	0
Steward .....	0
Cook .....	0
Messman .....	0
Total E&S Jobs Shipped.....	0
Total E&S B, C, D Shipped .....	0
Total Jobs Shipped - All Depts. ....	39
Total B, C, D Shipped-All Depts. ....	29
Total Registered “A” .....	21
Total Registered “B” .....	43
Total Registered “C” .....	19
Total Registered “D” .....	32

## SUP member joins pension rank

The following SUP member joined the rank of pensioner, bringing the total number of SUP members to 208:

**Randall Pruitt**, 65, Book No. 2245, joined SUP in 2009, 6 years seetime.