BROTHERHOOD OF THE SEA

Organized 1885

West Coast Sailors

Official Organ of the Sailors' Union of the Pacific

Volume LXXIV No. 6 869-M SAN FRANCISCO, CALIFORNIA Friday, June 24, 2011

Pension benefit increase agreed to by APL and Matson

On June 22, the Sailors' Union of the Pacific, the Marine Firemen's Union and the Seafarers' International Union-Marine Cooks, which comprise the SIU-Pacific District for collective bargaining purposes, successfully negotiated a pension increase for future and current pensioners with APL Marine Services and Matson Navigation Company under Section 30(e) of both contracts.

For those participants of the SIU-Pacific District Pension Plan who retire on or after July 1, 2011, the pension benefit will increase by $54 for those who retire at age 60 or older with 25 years seatime with pro-rata increases for participants with less than 25 years covered employment. The full breakdown of pension benefits is on page 11. The $54 increase will boost the maximum monthly benefit to $1700 per month.

Members already on pension who retired at age 55 or older with at least 20 years of qualifying time will receive a 2% increase to their monthly benefit.

The Pension Plan office indicates that the increase will be reflected in the September pension checks retroactive to July 1.

Members of House Subcommittee on Coast Guard and Maritime Transportation express strong support for Jones Act

Members of the House Subcommittee on Coast Guard and Maritime Transportation said the Jones Act is critical to the national, economic, and homeland security needs of our country. In addition, the U.S. maritime industry plays an important role in creating jobs and increasing U.S. exports, a respected American maritime executive told Congress, and that is in large part because the Jones Act is the foundation of the nation's domestic maritime policy.

The Chairman of the Subcommittee on Coast Guard and Maritime Transportation, Frank LoBiondo (R-New Jersey), said at a June 14 hearing, "The Jones Act requires merchandise and passengers moving between two points in the United States to be carried only on U.S.-flagged, U.S.-crewed, U.S.-owned and U.S.-built vessels. Something I strongly support… I hear rumors from time to time about ideas or suggestions that can be advanced, either legislatively or otherwise, that would dramatically change or weaken the Jones Act. I can assure you that as chair of this committee, I'll do everything in my power not to allow that to happen."

Chairman LoBiondo called maintenance and improvements to the marine transportation system "essential" to any effort to create jobs or expand exports. "The commerce which moves on the marine transportation system fuels the economy," LoBiondo said. We need to "ex-

continued on page 3

R.J. Pfeiffer included in stamps saluting U.S. Merchant Marine

The U.S. Postal Service will salute the U.S. Merchant Marine on four forever stamps being introduced July 28, in a dedication ceremony at the United States Merchant Marine Academy in Kings Point, New York.

The Postal Service says that since the founding of the republic, the United States has looked to the commercial maritime industry for much of its growth and security. This issuance pays tribute to the U.S. Merchant Marine, the modern name for the maritime fleet that has played this vital role. The four-stamp design on this pane features types of vessels that have formed an important part of this history: clipper ships, auxiliary steamships, Liberty ships, and containerships.

Clipper Ships

The clipper ship, notes maritime historian Benjamin Labaree, was "a unique American contribution to the glory of seafaring." Hundreds of "Yankee" clippers, noted for their streamlined shape and majestic cloud of square-rigged sails, were built from the 1840s through the 1850s. Their heyday arrived with the California Gold Rush of 1849, which hastened the need for faster sailing ships to take prospectors and supplies out West. In 1851, the fastest of the clipper ships, the *Flying Cloud*, sailed the 13,000-plus miles from New York around Cape Horn to San Francisco in a record eighty-nine days. Clippers also boosted the trade in tea, bringing it fresh from China to England and America. Clipper ships eventually lost their dominance to the more dependable steamship, which had greater cargo capacity and could sail on regular schedules. But during the time they "flashed their splendor around the world," as Samuel Eliot Morison has written, clippers embodied the poetry of the seas.

Auxiliary Steamships

In the mid-nineteenth century, steam-powered ships competed with clipper and other sailing ships for transAtlantic mail and passenger service. In America the most magnificent of these were the four large wooden-hulled, sidewheel steamships—the *Atlantic*, *Baltic*, *Pacific*, and *Arctic*—that were built by New York entrepreneur Edward K. Collins in the 1840s. Like many steamships of the time, they included back-up or auxiliary sailing rigs to supplement their powerful engines. The elegant, 280-foot ships of the "Collins Line"—the ocean liners of their day—were notable for both speed and cargo-carrying capacity. They provided service between New York and Liverpool in the 1850s and set numerous transAtlantic speed records before rising costs helped bring an end to their business.

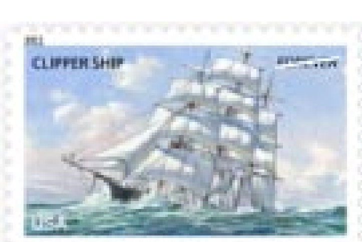
Liberty Ships

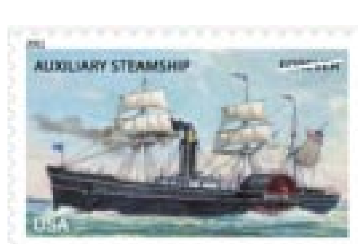
During World War I, the United States learned how to mass-produce merchant ships. But the nation remained without a settled policy for maintaining a modern merchant marine to meet its economic and defense needs until 1936, when legislation established the U.S. Maritime Commission and empowered the "U.S. Merchant Marine" to serve as a naval auxiliary unit. The Commission immediately began increasing the size of the country's merchant fleet and shortly before America's entry into World War II ordered the production of plain but sturdy cargo vessels called Liberty ships. Over the next four years, the United States produced more than 2,700 Liberty ships—"the most impressive single page in the history of the American shipbuilding industry," according to historian Allan Nevins. They served in all theaters of war and sustained the allied forces with a steady supply of food and war material. These ships were manned by members of the U.S. Merchant Marine, whose sacrifices, though less heralded than those of U.S. Navy crewmen, were no less critical to the war effort.

Containerships

Without the containership the global economy as we know it would be impossible. These ships, each loaded with thousands of containers measuring either 20 or 40 feet in length, carry virtually all the products and materials that end up in our local stores. "In 2006 alone," according to a maritime history exhibit at the Smithsonian Institution, "about 18 million containers stuffed with cargoes of all sorts were sent on more than 200 million trips by sea, rail, and road to places around the world." Containerships were pioneered in the 1950s by Malcom

continued on page 2





Matson's R.J. Pfeiffer

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

Matson and APL Wage Rates : Page 5 ESU News: Pages 6 & 7

SUP Honor Roll

Voluntary contributions from the membership to the following funds:

General Fund

Anonymous in memory of Charlie Russo	50.00
Noel Balaguer	50.00
George Castege in memory of Francis Castege	200.00
Joseph Castege in memory of Francis Castege	500.00
Jing Ming Chiang in memory of Lincoln Lee	500.00
Marvin Glasgow	50.00
Mahmoud Mahmoud	50.00
John McAuliffe	50.00
Edwin Pastolero	30.00
R.W. Turner	30.00

Political Fund

Wilson Abanto	50.00
James Acosta	40.00
Pio Aujero	50.00
Noel Balaguer	50.00
Rogelio Berioso	20.00
Robert Burns	10.00
Richard Cogswell	50.00
David Connolly	50.00
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David Fadoul	50.00
Tortana Gago	20.00
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Marvin Glasgow	50.00
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Arthur Kardinal	100.00
Czeslan Knobbe	50.00
Jerry Komoto	100.00
Gunnar Lundeberg	50.00
Ramiro Montoya	10.00
Vince O'Halloran	100.00
Ricky Pangan in memory of Dave Pangan	100.00
Edwin Pastolero	20.00
Jordon Polon	30.00
Rich Reed	50.00
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Ralph Senter	100.00
Anton Seravaseiyar	25.00
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David Sylstra	100.00
Ray Tavai	10.00
Roger Tupas	30.00
R.W. Turner	30.00
Scott Weideman	10.00

West Coast Sailors

James Acosta	25.00
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Noel Balaguer	50.00
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Herbert Blake	25.00
Richard Blossom	20.00
Donald Bohle	25.00
Anita Enright in memory of Frank Enright	50.00
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Thomas Larkin	20.00
Belfred Lomba	25.00
John Masterson	40.00
Joseph Meehan	25.00
Earl Phillips	25.00
Ray Simpson	25.00
Eugene Souza	25.00
James Stelpstra	20.00

Dues-Paying Pensioners

Gordon Abbott	Book #3785
Robert Copeland	Book #4763
Donald Cushing	Book #4777
Romaine Dudley	Book #2593
Alexander Earle	Book #1885
Duane Hewitt	Book #5748
Knud Jensen	Book #3940
John Jewett	Book #4291
Kaj E. Kristensen	Book #3120
Eli Lalich	Book #4062
Stanley Lane	Book #4106
James K. Larsen	Book #4055
Volkert Lolies	Book #4097
Duane Nash	Book #2437
John Perez	Book #3810
Alex Romo	Book #3193
Francisco Salvatierra	Book #7498
James Savage	Book #7488
Ralph Senter	Book #7323

Tony Cahill bought 175 feet of wire for the Andrew Furuseth School of Seamanship.

Final Departures

Joselito Torre, Membership No. 19155. Born in the Philippines in 1966. Joined SUP in 2002. Died in Honolulu, Hawai'i, April 25, 2011.

John Lundborg, Book No. 4118. Born in Sweden in 1933. Joined SUP in 1998. Died in Puyallup, Washington, May 9, 2011. (Pensioner)

Michele D'Andrea, Book No. 2274. Born in Washington in 1923. Joined SUP in 1945. Died in Everett, Washington, May 18, 2011. (Pensioner)

Rolando DeGuzman, Book No. 2752. Born in the Philippines in 1954. Joined SUP in 1994. Died aboard the *Manoa*, May 19, 2011.

Auburn Lord, Book No. 3955. Born in California in 1927. Joined SUP in 1943. Died in Nice, California, May 31, 2011. (Pensioner)

Berton McNeese, Book No. 5590. Born in Missouri in 1922. Joined SUP in 1943. Died June 8, 2011. (Pensioner)

Joe Gladstone, Book No. 2241. Born in Ohio in 1918. Joined SUP in 1941. Died in Santa Cruz, Calif., May 15, 2011.

Report indicates seafarers face heightened violence from pirates

A new report published by the Oceans Beyond Piracy Project suggests that seafarers are becoming the victims of increased levels of violence at sea, including physical and psychological abuse as well as torture.

The report, entitled "The Human Cost of Somali Piracy" looked into achieving a long-term, sustainable solution to piracy. The report claims that in 2010 alone, more than 4000 seafarers were attacked with some vessels and crews attacked more than once.

The report also outlines how 342 seafarers endured hours or days of persistent attacks while sheltering in ships' citadels or fortified safe rooms. Pirates have reportedly fired rocket-propelled grenades at citadel doors at close range and used plastic explosives to take the crew hostage. Pirates have also set fire to three ships while their crews huddled below decks.

More than 1000 seafarers were held hostage for prolonged periods of time without proper nutrition, access to medical care or contact with their families. The reports said that these conditions have led to the deaths of some hostages, both through suicide and malnutrition.

Meanwhile, 516 seafarers were used as human shields in attacks on other vessels as the crewmembers of some captured ships are forced to continue to operate these ships as "mother ships" to capture others.

"This report is a valuable addition to the mountain of evidence that the pirates have been allowed to get away with for too long, allowing them to spread their increasingly violent and inhuman activities across a wider and wider area. Once again it shows the crying need for decisive action to defeat piracy," said International Transport Workers' Federation (ITF) Seafarers' Section Secretary Jon Whitlow.

U.S. Merchant Marine postage stamps

continued from page 1

McLean, a trucking operator from North Carolina. McLean's idea was to eliminate multiple handling costs by standardizing the shape of a container so that it could be easily moved between different modes of transportation: truck, rail, and ship. Intermodal transportation took hold and created efficiencies that transformed the global economy. By the end of the twentieth century, containerships carried nearly all of the world's manufactured goods and exemplified the modern merchant marine.

The containership on the stamp is SUP-contracted Matson Navigation Company's *R.J. Pfeiffer*, pictured approaching Diamond Head.

The U.S. Merchant Marine stamps are being issued as Forever stamps. Forever stamps are always equal in value to the current First-Class Mail one-ounce rate.

SUPPORT THE SUP POLITICAL FUND

Timely Reminder

Third quarter 2011 dues are due and payable *now*!

SUP Constitution

ARTICLE VI

DUES AND INITIATION FEE

Section 1. The initiation fee shall be Sixteen Hundred Dollars ($1600.00) payable in installments with the sum of One Hundred Dollars ($100.00) being due and owing upon the members's admission into the Union and the balance of Fifty Dollars ($50.00) per month for each month or part thereof in SUP-contracted vessels.

The initial installment of One Hundred Dollars ($100.00) shall accompany the application of membership and the dues shall be One Hundred Fifty Dollars ($150.00) per quarter, payable in advance.

SUP Meetings

These are the dates for the regularly scheduled SUP meetings in 2011:

	Hdqs.	*Branch*
July	11	18
August	8	15
September	12	19
October	Tues. 11	17
November	14	21
December	12	19

West Coast Sailors

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New leadership at APL

The Nepturn Orient Line Group announced on June 8, the resignation of Eng Aik Meng as President of its subsidiary APL. Meng will be replaced by Kenneth Glenn, who is currently the President of APL, North Asia Region, when Meng officially steps down September 1, to take a position outside of the transportation industry.

"We understand Aik Meng's desire to begin a new phase in his career, and we thank him for his contributions to NOL," said NOL CEO Ronald D. Widdows. "At the same time, we are excited to put APL under the direction of a veteran leader who has a very broad background in geographic and trade management and deep commercial skills developed over 32 years, the last 10 with NOL and APL."

Eng joined APL in 1993, holding positions in strategic planning and as head of its Intra-Asia Trade. He left APL briefly in 2007 but returned in 2008 as president of APL.

Glenn brings to the APL presidency 32 years of experience in the transportation industry. Glenn, who joined APL in 2000, was the company's top executive in India when it introduced that country's first private freight-rail business, IndiaLinx, in 2007. Glenn was named North Asia president in January 2009. Glenn has also held the position of senior vice president in charge of APL's Asia-Europe Trade from 2000 to 2005. Before joining APL, Glenn spent 21 years with Sea-Land Corporation in a variety of executive roles, including Vice President of the Asia-Europe and Atlantic Tradelanes and Vice President and General Manager for the former Soviet Union.

In his new role, Glenn will manage APL's worldwide container transportation business, which includes shipping and intermodal rail operations. He will also have accountability for the company's marine terminals in the United States, Asia and Europe.

Admiral Callaghan in Alameda

The SUP crew of the Admiral Callaghan after tying up in Alameda following a shipyard period and seven day sea trials on May 25. From left are: Bosun Ramon Duran, AB Allen Gonzalez, AB Pio Aujero, AB and delegate Liam Casement, AB Spencer Thompson, STOS Dennis Semague and OS Giovanni Villalon. Missing from the photo is AB Clemons Kessler. The Adm. Callaghan is a combination Lift-on/Lift-off Ro/Ro that is part of the Maritime Administration's Ready Reserve Force. Photo: Dave Connolly.

Horizon Line announces debt restructuring plan

Horizon Line announced on June 2, that it has reached new agreements with its bondholders to refinance the company's capitals structure.

Horizon said that a majority of the holders of the $330 million in 4.25% convertible senior notes had agreed to the refinancing plan, which should help the line in its battle to prevent a debt default.

Under the agreement, Horizon would exchange the notes for $200 million worth of 6% convertible secured notes, $80 million cash and approximately 38.5 million shares of common stock. Those shares would make up around 56% of the company's outstanding capital stock.

The company also plans to sell $350 million in new first-lien 9% senior secured notes, due in five years, to "certain qualified institutional buyers."

The agreement with the note holders sets the stage for a complete refinancing, in conjunction with a new asset-based revolving loan facility of up to $125 million. The revolving loan facility is under negotiation with "a leading financial institution," according to Horizon.

The carrier's debt structure is currently made up of a $225 million senior secured revolving credit facility, a $125 million secured term loan and the $330 million of unsecured 4.25% convertible senior notes.

Horizon's announcement marks an important step toward financial stability for the carrier that has also revamped its management in recent months following a guilty plea in the Puerto Rico price-fixing investigation. After Horizon agreed in February to plead guilty to a felony antitrust violation for its role in that operation and accept a $45 million fine, the company announced that it expected to be in violation of covenants on the $330 million in senior secured notes which put Horizon at risk of a debt default that could have led to bankruptcy.

Then in April, the Justice Department agreed to cut the company's original fine to $15 million, saying the larger penalty threatened to force Horizon into bankruptcy. The original fine, which was far below federal sentencing guidelines, threatened Horizon's viability according to the Justice Department.

Horizon said the planned recapitalization "will eliminate the refinancing risk related to the maturity of the existing convertible notes and the existing bank debt in 2012, and will provide liquidity to fund continued operations."

The company said it expects to complete the refinancing in August and will not pursue any other restructuring alternatives.

U.S. exports increase in April

U.S. exports of goods and services increased 1.3% in April over the previous month to a record $175.6 billion, according to figures released by the U.S. Commerce Department on June 9.

Monthly export values for U.S. industrial supplies ($43.4 billion) and capital goods ($41 billion) were the highest on record.

U.S. imports of goods and services dropped slightly to $219.2 billion, causing the U.S. trade deficit to decline to 6.7% compared to last month to $43.7 billion.

"April is the second consecutive month of record export growth, and while there may be bumps on the road to recovery, this administration is making our economy more competitive by fostering new jobs in new industries, and helping to educate and train workers to fill them," said Commerce Secretary Gary Locke, in a statement. Preparing Americans for good-paying jobs in the manufacturing sector will not only strengthen the economy and put people back to work, but will help us compete in today's 21st century global economy."

Jones Act *continued from page 1*

plore ways to create jobs, increase exports and save taxpayers money. A robust marine transportation system can potentially accomplish all three."

Domestic shipping supports half-a-million American jobs and $100 billion in annual economic output, LoBiondo said. "It is imperative that policies we develop promote transportation of goods on American ships, built in American shipyards and operated by American mariners."

The hearing, "Creating Jobs and Increasing U.S. Exports by Enhancing the Marine Transportation System," examined the obstacles, benefits and possible incentives involved in expanding the U.S. maritime industry and in meeting the President's goal of doubling exports by 2015.

The subcommittee and witnesses reviewed steps necessary to expand America's marine highways. Chairman LoBiondo expressed his support for growth of domestic waterborne transportation. "These rivers, canals and coastal routes are the most economical, environmentally sustainable and safe mode of commercial freight transportation," he said.

Another key member of the committee, Representative Maxie Hirono (D-Hawai'i) emphasized the economic benefits of the Jones Act for the State of Hawai'i, "Mr. Chairman, thank you for your support of the Jones Act. Like you I am a strong supporter of that act. I just want to note for the record that the Hawai'i Jones Act activities provide 23,000 jobs, just in Hawai'i, and approximately $1.1 billion in wages and benefits in Hawai'i's economy."

Jobless rate worsens with anemic job growth

The nation's unemployment rate ticked up to 9.1% in May, a slight increase from April's 9% rate, according to the latest government figures. The monthly payroll survey shows the economy added just 54,000 net jobs overall last month, down from the average 220,000 in the previous three months. While the private sector added 83,000 jobs, even that anemic growth was tempered by disappearing government jobs. Local government employment has dropped by 446,000 since its peak in September 2008.

Manufacturing saw a loss of 5,000 jobs, after April's addition of 29,000. Overall, there has been a small net gain of manufacturing jobs after hitting a low-point in December 2009. Since January 2010, the United States has added back roughly 243,000 manufacturing jobs through last month. But there is still a net loss of more than 800,000 manufacturing jobs since January 2009.

Scott Paul, executive director of the Alliance for American Manufacturing (AAM), says: "This slowdown shows that we cannot take growth in manufacturing for granted. Our nation urgently needs a jobs and manufacturing strategy, yet it is nowhere on the agenda of this Congress. We have put together a business-labor plan that enjoys broad support from voters. Now we hope Washington will start to listen. We will never rebuild our economy without strengthening manufacturing in our nation."

Young people (24.2%), African Americans (16.2%) and Hispanics (11.9%) continue to suffer the highest jobless rates.

The job gains were spread across industries, including accounting and bookkeeping services (18,000), health care (17,000), management and technical services (11,000), computer design and services (8,000) and mining (7,000).

AFL-CIO President Richard Trumka said, "The gain of a meager 54,000 jobs in May is a sign of real danger for working families and for the recovery, and should be a warning to those on the campaign trail. Let it be clear to our leaders and those seeking office: No other issue than the jobs crisis will be more dominant in the minds of working people come next November. Gaining the support of working families will mean showing real political courage, not playing more political games."

Maritime Day in Wilmington

SUP members from left: Tom Larkin, Captain Joe Itson, Jimmy Alacorn, Dearl Scarbrough, Captain John Bloomingdale, Eli Wegger, Wilmington Branch Agent Vern Johansen, Paul Herroit, Ken "Sinbad" Delaney, Montolva, (kneeling) Tony Montoya, Daniel TinTun, in San Pedro on Maritime Day. Tom Larkin read a couple of his poems at the luncheon. Great time was had by all hands.

AMERICAN MERCHANT MARINE
VETERANS MEMORIAL COMMITTEE, INC.
Honoring American Merchant Mariners who have served their Country in peace & war
Federal I.D. No. 95-4057844

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June 7, 2011

Gunnar Lundeberg
President / Secretary-Treasurer
Sailors' Union of the Pacific
450 Harrison Street
San Francisco, CA 94105

Dear Gunnar:

The annual observance of National Maritime Day was conducted at the American Merchant Marine Veterans Memorial in San Pedro on Sunday, May 22, 2011. The Memorial service and following lunch were made possible due to the assistance and participation of the SUP and its members. Of particular note were the efforts of Vern Johansen and Keith Delaney. Vern participated in the Memorial cleanup and touch up maintenance weeks before Maritime day. Like most Sailor work, their tasks were the important things that everyone else takes for granted.

The contributions made by the members of the Sailors' Union of the Pacific were given special recognition during the program for the sacrifice made by those whose names adorn the Walls of Honor as well as those who have generously contributed at every stage of the Memorial and Walls of Honor construction, and still contribute through their attendance, sponsorship through the advertisement in our program, and willingness to turn to and do whatever is required at the Memorial. I am particularly grateful to those mentioned above to help with Maritime Day.

It was a proud day for the US Merchant Marine and for the SUP. Your members represented the Union very well and in the finest tradition. I was proud to have participated in the Memorial service alongside of them.

On behalf of the Committee, I thank you, and all the members of the Sailors' Union of the Pacific, for your continued generous support.

Lest we forget!

Sincerely,

John Pitts
President, AMMVMC, Inc.

RECEIVED
JUN 10 2011
SAILORS' UNION OF THE PACIFIC

P.O. Box 1659, Wilmington, CA 90748-1659 ★ Ph/Fax (310) 830-7899 ★ E-mail AMMVMC@sbcglobal.net

NATIONAL MARITIME DAY 2011

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

A PROCLAMATION

In times of peace or war, the civilians serving in the United States Merchant Marine have helped keep our Nation safe and prosperous. We depend on these men and women serving on our ships and tugs, in our ports and shipyards, close to home or far at sea, to connect businesses, service members, and citizens around the world. On National Maritime Day, we honor their invaluable contributions to America's economic strength and security.

On May 22, 1819, the SS Savannah completed the first successful voyage by a steam powered ship across the Atlantic, shepherding in a new age of maritime travel and transport. By the 20th century, the United States maritime trade was booming, fostering exchanges across the world and aiding our military at war. During World War II, Merchant Marines were critical in providing necessary supplies and services to troops abroad, while suffering an extraordinarily high death rate. Hundreds of merchant ships fell to enemy action, and nearly one in thirty mariners did not return home.

United States flag vessels and those who operate them continue to be an integral part of our military operations overseas. They support operations in Iraq and Afghanistan, as well as humanitarian aid missions and disaster relief efforts. Without the steadfast commitment of our mariners, our Nation would not be as prepared to deal with unforeseen events, conflicts, or crises. Their bravery and valor make our waterways safer and more efficient every day.

Today, our maritime industry is a valuable source of skilled employment for American workers, contributing billions of dollars to our economy. It is also a critical part of our transportation system. Last year, my Administration implemented "America's Marine Highway Program," an effort that enables American businesses to participate in improving the safety and environmental sustainability of our waterways. Our mariners' continued work is helping American industry remain competitive in the global economy, pushing us toward a more prosperous and free 21st century.

The Congress, by a joint resolution approved May 20, 1933, has designated May 22 of each year as "National Maritime Day," and has authorized and requested the President to issue annually a proclamation calling for its appropriate observance.

NOW, THEREFORE, I, BARACK OBAMA, President of the United States of America, do hereby proclaim May 22, 2011, as National Maritime Day. I call upon the people of the United States to mark this observance and to display the flag of the United States at their homes and in their communities. I also request that all ships sailing under the American flag dress ship on that day.

IN WITNESS WHEREOF, I have hereunto set my hand this eighteenth day of May, in the year of our Lord two thousand eleven, and of the Independence of the United States of America the two hundred and thirty-fifth.

BARACK OBAMA

A look astern...

May 21, 1942
Sailors' Union of the Pacific
59 Clay Street, San Francisco

On this observance of National Maritime Day, the Maritime Commission wishes to express appreciation of your contribution to the nation's ship building and operating effort. The American people are beneficiaries of the men who build, load and take our victory fleet to sea. You are fighting our fight as strong as the armed forces. You are as vital to this effort as if you were on the firing line. Carry on and victory through ships must be ours.

Admiral Emory S. Land
U.S. Maritime Commission

Matson Navigation Company Wage Rates

effective July 1, 2011

071, Roll-On/Roll-Off, C-8, C-9, CV-2500 & CV-2600 Class Vessels

Rating	Wages Monthly	Wages Daily	Supp. Benefit Base Monthly	Supp. Benefit Daily	Supp. Benefit Monthly	Money Purchase Pension Plan Daily
Bosun	$5,395.60	$179.85	$5,560.26	$105.03	$3,150.90	$25.00
A.B.	$3,805.48	$126.85	$4,154.97	$78.48	$2,354.40	$25.00
O.S.	$2,921.19	$97.37	$3,264.94	$61.67	$1,850.10	$18.51

OVERTIME AND OTHER RATES

The hourly overly overtime rate for all ratings except the Ordinary Seaman shall be $30.98
Ordinary Seamen (overtime rate) $23.23

CARGO RATES

The hourly cargo rate for all ratings shall be:
Straight Time $23.23
Overtime $38.28

SHORTHANDED (SECTION 7. SUP Work Rules)

Bosun $52.88
A.B. $39.85

STANDBY RATES (Section 43 SUP Work Rules)

Bosun
Straight Time .... $36.24 .... $25.00
Overtime $58.80
A.B.
Straight Time .... $29.86 .... $25.00
Overtime $49.50

SHIFT SHIP GANGS (Section 44 SUP Work Rules)

Bosun
Straight Time .... $26.23 .... $25.00
Overtime $43.60
A.B.
Straight Time .... $24.66 .... $25.00
Overtime $41.64

DECK PORT WATCHES (SECTION 55. SUP Work Rules)

Bosun
Straight Time $35.25
Overtime $52.87
A.B.
Straight Time $26.56
Overtime $39.85

FUEL OIL SPILL CLEANUPS

All Ratings: Straight Time $18.04

SHOREGANG: MAINTENANCE AGREEMENT

Working Bosun
Straight Time .... $35.88 .... $25.00
Overtime $58.80
General Maintenance
Straight Time .... $29.51 .... $25.00
Overtime $49.50
Spraying, Sandblasting enclosed spaces: additional per hour $1.70

SHOREGANG: EXTRA MAINTENANCE AGREEMENT

Standby Bosun
Straight Time .... $36.24 .... $25.00
Overtime $58.80
Standby AB
Straight Time .... $29.86 .... $25.00
Overtime $49.50

Moku Pahu Wages

Money Purchase Pension Plan Daily

Bosun
Monthly Base Wage $4,473.41
Daily Base Wage $149.11
Daily Supplemental Wage .... $55.02 .... $23.00
A.B.
Monthly Base Wage $3,002.69
Daily Base Wage $100.09
Daily Supplemental Wage .... $42.90 .... $19.00
Overtime $28.85

CARGO RATES

Straight Time Hours: $21.62
Overtime Hours: $35.65

FUEL OIL SPILL CLEANUPS

All Ratings: Straight Time $16.83

Supplemental wages at 10 days per month.

APL Wage Rates

(Non-Maritime Security Program vessels)

APL Agate, APL Japan & APL Coral

Effective June 16, 2011

Rating	Wages Monthly	Wages Daily	Supp. Benefit Base Monthly	Supp. Benefit Daily	Supp. Benefit Monthly	Money Purchase Pension Plan Daily
Bosun	$4,561.15	$152.04	$4,213.84	$74.91	$2,247.24	$25.00
A.B.	$3,408.64	$113.62	$3,164.19	$56.25	$1,687.46	$25.00
AB Watchstander/ Daystander	$3,408.64	$113.62	$3,164.19	$56.25	$1,687.46	$25.00
O.S.	$2,233.19	$74.44	$2,495.69	$44.37	$1,330.95	$18.51

Money Purchase Pension Plan Daily

OVERTIME RATES

The hourly overtime rate for all ratings
except the Ordinary Seaman $27.36
Ordinary Seamen $20.52

CARGO RATES

The hourly cargo rate for all ratings:
Straight Time Hours $20.52
Overtime Hours $33.79

SHORTHANDED (Section 7 SUP Work Rules)

Bosun $46.69
A.B. $35.19
STOS $26.39

STANDBY RATES (Section 43 SUP Work Rules)

Bosun
Straight Time Hours .... $26.12 .... $25.00
Overtime Hours $42.95
A.B.
Straight Time Hours .... $25.02 .... $25.00
Overtime Hours $41.24

SHIFT SHIP GANGS (Section 44 SUP Work Rules)

Bosun
Straight Time Hours .... $23.13 .... $25.00
Overtime Hours $38.47
A.B.
Straight Time Hours .... $21.81 .... $25.00
Overtime Hours $36.78

DECK PORT WATCHES (Section 55 SUP Work Rules)

Bosun
Straight Time Hours $31.14
Overtime Hours $46.71
A.B. and STOS
Straight Time Hours $23.45
Overtime Hours $35.18

FUEL OIL SPILL CLEANUPS

Straight Time, all ratings $15.96

Mahimahi gets painted at sea

AB Dmitri Seleznev in the basket painting the face of the house in Matson Navigation Company's Mahimahi at sea on May 20. AB and delegate Mick McHenry is operating the crane. Photo: Chris Bujnowski.

Port of Oakland receives $18 million for harbor maintenance

The Port of Oakland is set to receive $18 million from the United States Army Corps of Engineers' fiscal year 2011 work plan to finance the port's harbor maintenance dredging program.

"We greatly appreciate that Congresswoman Barbara Lee and the entire Bay Area Congressional Delegation stepped up and helped the Port achieve this critical funding to keep the Oakland harbor navigable and safe for the efficient flow of commerce," said James Head, President of the Oakland Board of Port Commissioners.

"I am very pleased to have helped the Port of Oakland secure this critical federal funding to maintain its position as the premier gateway for international trade in the region," said Congresswoman Barbara Lee. "As a major export seaport, maintaining Oakland's channel supports President Obama's National Export Initiative objective of doubling our exports by 2015, which is critical to our nation's economic recovery and long-term competitiveness."

The initial dredging project, which deepened the harbor from 42 feet to 50 feet, took 10 years and $433 million to complete with $243 million of the money contributed by the federal government and the rest by the Port. After the project was completed, channels begin to silt in as currents shift unsettled material onto the harbor floor. Annual maintenance dredging becomes necessary for clearing this material out and keeping the channels at a proper depth. The growing trend towards ever larger ships requiring deeper channels, making maintenance dredging all the more critical.

Port of Oakland Executive Director Omar Benjamin said, "It is essential for the Port to be able to accommodate the ever-larger container ships that require a deeper harbor,"said Omar Benjamin, Executive Director for the Port of Oakland. "This type of public-private investment in partnership with the federal government helps the Port of Oakland create over 50,000 direct and indirect jobs in the region and support over 800,000 jobs across the country."

The dredging project will also offer environmental benefits via habitat and wetland restoration, according to the port. For example, the Hamilton Wetland Restoration Project received dredged material from the Oakland harbor which has helped with flood damage reduction and ecosystem restoration. Also, the larger ships that use the port after the dredging project is completed can carry more containers providing an important reduction in fuel use and air emissions per transported container.

NLRB proposes new rules to speed up organizing elections

The National Labor Relations Board on June 21, proposed the most sweeping changes to the federal rules governing Union organizing elections since 1947, giving a boost to Unions that have long called for the agency to give employers less time to fight representation votes.

The NLRB's proposals would likely compress the time between a formal call for a vote by workers on whether to join a Union, and the election itself. It is the latest in a series of actions by the board and other agencies controlled by Obama administration appointees that respond to labor leaders' calls for more Union friendly federal labor policies.

The rules governing organizing are the focus of a power struggle between Unions and employers after decades of declining Union membership. Only 6.9% of private sector workers belonged to Unions in 2010, and just 11.9% of all U.S. workers, according to the Labor Department. In 1983, Unions represented 20.1% of all workers.

Naturally, some companies say cutting the lead time before an election would make it harder for them to build a case for opposing a Union, because Union campaigns often begin months earlier without an employer's knowledge.

AFL-CIO President Richard Trumka said the proposed changes are a "modest step to remove roadblocks and reduce unnecessary and costly litigation-and that's good news for employers as well as employees." But he adds: "The proposed rule does not address many of the fundamental problems with our labor laws, but it will help bring critically needed fairness and balance to this part of the process."

Trumka says the rules "appear to be a common sense approach to clean up an outdated system and help ensure that working women and men can make their own choice about whether to form a Union. When workers want to vote on a Union, they should get a fair chance to vote. That's a basic right. But our current system has become a broken, bureaucratic maze that stalls and stymies workers' choices. And that diminishes the voice of working people, creates imbalance in our economy and shrinks the middle class."

Because the changes will clean up a system plagued by delays, bureaucracy and litigation, the rule is good for employers, employees and taxpayers who foot the bill.

The proposed changes would:

- Allow for electronic filing of election petitions and other documents.
- Ensure that employees, employers and Unions receive and exchange timely information they need to understand and participate in the representation case process.
- Standardize time frames for parties to resolve or litigate issues before and after elections.
- Require parties to identify issues and describe evidence soon after an election petition is filed to facilitate resolution and eliminate unnecessary litigation.
- Defer litigation of most voter eligibility issues until after the election.
- Require employers to provide a final voter list in electronic form soon after the scheduling of an election, including voters' telephone numbers and email addresses when available.

Consolidate all election-related appeals to the Board into a single post-election appeals process and thereby eliminate delay in holding elections currently attributable to the possibility of pre-election appeals. Make Board review of post-election decisions discretionary rather than mandatory.

Senator Tom Harkin (D-Iowa), chairman of the Senate Health, Education, Labor and Pensions Committee, says that a key part to rebuilding the middle class "is ensuring that every American worker has the same right that powerful CEOs take for granted—the right to sign a contract ensuring fair treatment on the job."

House Democratic Leader Nancy Pelosi said: "Around the world, the United States advocates to help ensure that working people have a voice in determining their future; this will help guarantee the same opportunities for workers here at home."

Representative John Mine (R-Minnesota), chairman of the House Education and the Workforce Committee, urged the board to scrap what he called a reckless and job-destroying agenda.

Brett McMahon, vice president for business development at Miller & Long, a privately held, non-unionized construction company in Bethesda, Maryland, said the NLRB's proposal "provides a totally unfair advantage to labor and it deprives employees of a full set of information."

Congress thwarts another round of attacks on workers

A group of House Republicans, led by Steven LaTourette (R-Ohio) and Frank LoBiondo (R-New Jersey), on June 2, joined every Democrat except Dan Boren of Oklahoma, in defeating attacks on Davis-Bacon (prevailing wage) and Project Labor Agreements (PLAs) on key appropriation bills moving through Congress. Both Davis-Bacon and PLAs are instrumental in making sure that federally funded projects create good jobs and are done by using skilled labor, are completed on time and on budget.

In the Davis-Bacon vote 52 Republicans joined 182 Democrats in defeating the measure 234-183. The PLA vote was 213-207, with 28 Republicans voting "right".

Puerto Rico reinstates collective bargaining for public employees

Members of the UAW and Puerto Rico's Servidores Públicos Unidos (SPU)/AFSCME Council 95 and other public employees celebrated May 17, when Governor Luis Fortuño signed into law a bill reinstating collective bargaining for public employees.

Unlike legislatures in states like Wisconsin and Ohio, which are trying to take away workers' rights, Puerto Rico's House and the Senate passed this bill unanimously.

SPU President Annette González said: "This law is very important for workers since in essence it includes two clauses that allow us to attain two fundamental goals: Restore the acquired rights through the restitution of collective bargaining contracts [and] negotiate the economic aspects that will do justice to workers and their families."

The law ends a policy imposed in March 2009 when the administration enacted a fiscal emergency law that mandated a two-year freeze on the economic clauses of all collective bargaining agreements. The new law extends the non-economic clauses of the contracts until 2013 and allows workers to negotiate for salaries, benefits, bonuses and other economic aspects.

Port of Los Angeles announces $976.6 million operating budget

The Port of Los Angeles adopted a budget totaling $976.6 million for fiscal year 2011-12, a year in which the port projects operating revenues to be $405.4 million and the capital budget to be $291 million.

During the new fiscal year, which begins on July 1, Los Angeles plans to spend $10.7 million for improvements at the TraPac container terminal and $5.6 million at the APL terminal at Berths 301-306. The port has also allocated $45 million for waterfront project construction and $44 million for surface transportation infrastructure improvements.

The port also allocated $7.2 million for Clean Air Action Plan initiatives, including $2.7 million for the clean truck program, $2.5 million for the vessel speed reduction program, $1.5 million for the technology advancement program and $500,000 for the TraPac program to provide shore-side electrical power for vessels at berth.

The $976.6 million budget represents an increase of 7.4%, or $67 million, from the current fiscal year that ends on June 30. The budget reflects higher total receipts from both operations and grants.

West Coast port container volume increases

Container volume moving through ports along the West Coast of the United States grew 7% in April compared to the same month last year, with export growth outpacing import growth.

According to the Pacific Maritime Association, exports increase 8% in April compared to April 2010, while imports increased 5%.

The monthly report capped off a similar pattern that developed during the first four months of 2011. Total loaded containers for January through April increased 9% over the same period last year. Exports were up 10% during that time while imports grew 8%.

The total container volume at the port of Los Angeles-Long Beach jumped 9% during the first four months of 2011. Exports and imports both increased 9%.

Imports moving through Los Angeles-Long Beach remain strong after six niche carriers began or expanded their services this past year between China and Southern California. Those smaller carriers tend to have higher vessel utilization rates eastbound than westbound.

Exports moving through the ports of Seattle-Tacoma jumped 12% for the first four months of 2011 while imports were up 5%.

The port of Portland had especially strong growth numbers so far this year, with exports up 26% and imports increasing 17%. However it should be noted that Portland started from a smaller cargo base last year.

Industry analysts project container volume in the eastbound Pacific trade would increase between 6% and 9% this year with 8% growth in imports during the first four months of the year.

Ocean carriers postpone peak season surcharge on the TransPacific run

A peak-season surcharge that was scheduled to become effective the week of June 13, in the eastbound Pacific has been tabled for at least one month.

The Transpacific Stabilization Agreement, which represents most of the large carriers in the United States import trade from Asia, late last year published a voluntary guideline for its members calling for a peak season surcharge of $400 per 40-foot container to run from June 15 until November 30.

However, a number of carriers have delayed the peak-season surcharges due to weaker-than-expected imports during the past month and excess capacity on services to the West Coast. Most carriers are now targeting July 15 as the start date for their peak season surcharges to begin for West Coast transit.

On the East Coast services, carriers enjoy a little bit more leverage due to smaller vessels and higher utilization rates. Therefore, some carriers are still planning to impose surcharges this month while others are planning to start July 1.

Carriers were successful in imposing peak season surcharges last year because of tight vessel capacity and equipment shortages earlier in the year. Also, importers shipped some of their merchandise in the spring rather than waiting for the autumn rush to begin.

This year is shaping up to be a more traditional peak season, with retailers planning on importing their holiday merchandise in late summer through October.

Cape Henry

On the galley deck of the Cape Henry on June 8, is Bosun Vern Haik with OS Matt Henning and OS Scott Sitts. The Cape Henry is operated and maintained by SUP-contracted Patriot Contract Services for the Maritime Administration. She is one of 27 Roll-on/Roll-off ships in the MSC inventory. In 2003, the ship made five trips to and from Kuwait from January through July, carrying a total of nearly 625,000 square feet of gear for the U.S. Army's 4th Infantry and 10th Mountain Divisions.
Photo: Dave Connolly.

TransPacific export rates continue to drop

Containerized ocean shipping rates for exports from the United States to Asia continue to drop this spring as an increase in vessel capacity has offset a strong demand for U.S. goods, according to Ed Zaninelli, vice president of trans-Pacific westbound for Orient Overseas Container Line (OOCL).

Vessel capacity has increased 19.3% over last year, a time when approximately 10% of the global shipping fleet was laid up according to Zaninelli. citing reports from industry analysts Alphaliner. However, current figures put the amount of inactive vessels at less than 1%.

Container volume is relatively strong in both directions of the trans-Pacific trade and is forecasted to remain that way for the remainder of the year, with industry analysts forecasting an increase of around 6.5% eastbound and 11.3% westbound according to Brian Conrad, executive administrator of the Westbound Transpacific Stabilization Agreement.

The rapid growth of U.S. exports has helped bring some balance in the trans-Pacific trade. Historically, U.S. imports have outpaced exports by a factor of two or 2.5 to one. The ratio of imports to exports is down now to about 1.7 to one.

Zaninelli said that the shortages in vessel capacity and equipment that hit the market in the past couple of years have not surfaced this year. Equipment is a "non issue" and capacity is higher than demand, Zaninelli said.

The situation could get worse over the summer months because summer is traditionally a slack season in the westbound Pacific trade. Exports of staples such as paper and other waste products slow somewhat during the summer months.

General Dynamics NASSCO begins MLP work

General Dynamics NASSCO has begun work on the United States Navy's newest class of ships, called Mobile Landing Platforms (MLPs), along San Diego Bay's waterfront.

General Dynamics NASSCO was awarded a $744 million contract from the Navy last month to build two MLP's, the first of which is scheduled to be delivered during the spring of 2013. The contract includes an option for the construction of a third MLP which, if exercised, will increase the total contract value to approximately $1.3 billion.

The MLPs will act as a "pier at sea," which will become the core of the Navy and Marine Corps seabasing concept, according to NASSCO. These ships will join the three Maritime Propositioning Force squadrons that are strategically located around the world to enable rapid response in a crisis.

"This contract is important to our region, providing jobs along our working waterfront and fulfilling a need for our Navy partners," said Scott Peters, chairman of the Board of Port Commissioners for the Port of San Diego. "San Diego is one of 17 strategic ports, and home to the only shipbuilder on the West Coast. The Port of San Diego congratulates General Dynamics NASSCO."

The Port of San Diego was designated as a strategic port by the U.S. Department of Transportation's Maritime Administration, meaning that the port plays a role in the military's logistics and must coordinate and work with the military when needed.

While Navy installations in Norfolk, Virginia have their own Navy shipyards, the Navy in San Diego relies on General Dynamics NASSCO and other private shipyards for its vessel needs.

ESU Office Assignments

For the month of July,
Leo DeCastro will be in the
Seabrook office.

ESU NEWS
JUNE 2011
Official Publication of the Exxon Seamen's Union

Memorandum of Understanding between the ESU and SeaRiver Maritime, Inc.

1) Length of Contract and Wage Increase

· Three (3) year contract (9/1/2001 through 8/31/2014).

· Fixed base wage CSB, SSHOT, OT and Penalty rates increase 3.00% effective 9/1/2011 if ratified by that date.

· Fixed base wage CSB, SSHOT, OT and Penalty rates increase 3.00% effective 9/1/2012.

· Fixed base wage CSB, SSHOT, OT rates increase 3.00% effective 9/1/2013.

· Upon ratification of the agreement by the membership, but not earlier that 9/1/2011, a non-benefit bearing lump sum ratification bonus of $2,250 will be paid to all active unlicensed employees.

2) Union Administration Clause –

Address Union Officer assignment to office process, by amending Article III Section 3, Paragraphs A.2. And A.10 to read as follows:

A. Assignment To Office Effective 9/1/2011

(2). Assignments to Office will be granted by the COMPANY upon written request of the individual officer with endorsement by the UNION and will be in increments of one calendar month. The request shall be submitted to the Company via e-mail at least one month in advance of the Assignment to Office. The UNION officer requesting approval must make travel arrangements with the Company designated travel agent no later than 14 calendar days before his travel date for the Assignment to Office. In cases of emergencies, the Union officer requesting approval must make travel arrangements with the Company designated travel agent as soon as practicable.

(10). During the period that the COMPANY'S fleet of oceangoing vessels in active service exceeds eleven (11) vessels, the terms of Article III as found in the September 1, 2005 AGREEMENT will apply. During the period that the COMPANY'S fleet of oceangoing vessels in active service is less than twelve (12) vessels, the terms of Articles III as found in the September 1, 2011 AGREEMENT will apply.

3) Statement of Earnings –

Amend Article IV, Section 9 to read as follows:

A statement of earnings and deductions shall be mailed to unlicensed personnel at the end of each semi-monthly pay period via regular mail to their home address and if requested by the employee, via e-mail. Any extra payments (penalty pay, tank cleaning pay, and other pay of a related nature provided for in this Agreement) will normally be paid in the following payroll period after they were earned.

4) Loss of Clothing –

Amend Article IV, Section 8 as follows:

A. In the event a ship is lost, the crew shall be recompensed for the loss of clothing and other personal effects in the amount of $1000.

B. In the event that personal effects of unlicensed personnel are damaged as a result of an accident to the vessel or its equipment, they shall be recompensed for the amount of the damage, not to exceed $1000.

5) Subsistence –

Amend Article VIII, Section 2(B) to read as follows:

Employees departing the vessel at any time of the day to go on paid leave will be paid the dinner subsistence rate of $22. Employees will also receive additional meal allowances based on the travel schedule the Company provides from the vessel to the airport nearest an employee's home (that is listed in the current Official Airline Guide). All other reimbursements for unauthorized lodging and/or subsistence are not applicable after an employee is relieved to go on paid leave.

6) General Working Rules –

Amend XII Section 9 C to read as follows:

Excluding Maintenance Seaman, no rest periods are due for work performed in docking, undocking, putting out or taking in gangway, breaking out or stowing mooring lines, or connecting or disconnecting cargo hoses.

7) PPE Programs –

Delete Article XII Section 22, and insert the following new section:

22. PPE Programs

The following items will be included in the Company's personal protective equipment program:

A. Safety Shoe Program: Effective 2/15/12, the Company will pay each active unlicensed employee a non-taxable payment of $200 per year via payroll to purchase safety shoes, which shall meet the following Company standards: (1) must have a non-skid, oil resistant sole design and protective toe-cap (steel-toed or equivalent) and (2) meet ASTM F2413-05 1/75 C/75 **EH.** In the event that the Company standards on safety shoes change, the Company agrees to bargain with the UNION the effect of such changes on the safety shoe allowance described herein.

B. Winter (Arctic) Clothing: Effective 2/15/12, and every three years thereafter as long as Company vessels trade to/from Valdez, AK, the Company will pay each active unlicensed employee a tax assisted payment of $400 via payroll to purchase winter (arctic) weather clothing.

C. Coveralls/Clothing: Employees may redeem a card which entitles the holder to receive 4 articles of clothing per year (4 pair of coveralls, or 4 shirts and 4 pants, or a combination of the foregoing). The card may be redeemed and garments selected one time per year.

D. Safety Glasses: The maximum reimbursement is $150 per year for prescription safety glasses. Employees will be reimbursed after submitting a proper receipt. The receipt must specify that the frames and lenses meet ANSI Z87.1 standards. There will be no reimbursement for non-prescription glasses. Employees may purchase additional pairs of prescription safety glasses at cost through Korrect Optical. Clear and tinted plan safety glasses will be provided free of charge to employees onboard Company vessels.

8) Amend Article X 5G to:

ABs participating in this program will be slotted onto the QMED-Oiler Promotion List according to the date of entry into EREP. An AB will have *twelve* months from the time he/she accumulates the required sea time to get a QMED-Oiler's endorsement and maintain his/her position on the list. Should he/she receive his/her endorsement later than *twelve* months after accumulating the required sea time, he/she will be repositioned on the QMED-Oiler Promotion List in a manner consistent with Section 2B above.

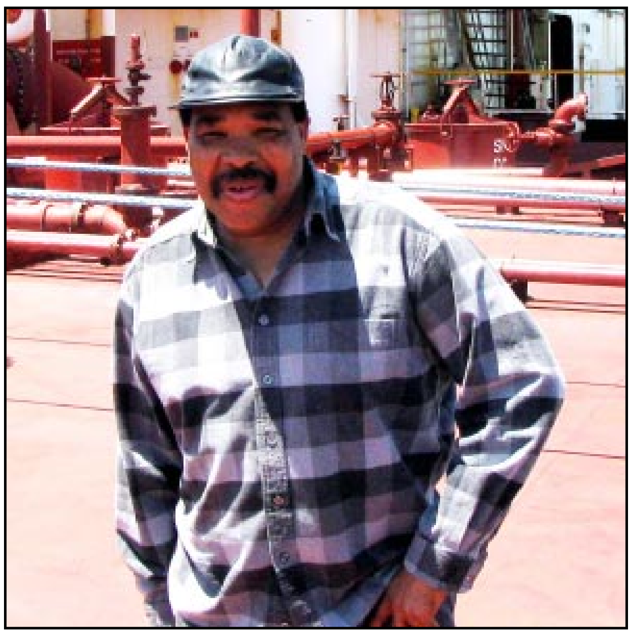
Roberto Dixon retires

Effective June 30, 2011, Roberto Dixon has elected to retire with 15 years of service. Roberto began his career with SeaRiver Maritime on December 5, 1995 in the position of Maintenance Seamen. Roberto first vessel assignment with the Company was the *S/R Long Beach*.

Roberto sailed in various ships in the Company's Fleet and during that time moved up the ranks by upgrading his Merchant Mariner endorsements to Able Seamen and QMED-Oiler. He sailed briefly as AB in the fleet before being promoted to QMED-Oiler on March 1, 2001.

His last vessel assignment was on the *Sierra* where the crew celebrated his accomplishment and contributions with a traditional shipboard retirement ceremony on before departing the vessel on June 10, 2011.

The Exxon Seamen's Union would like to express our most sincere thanks to Roberto for his commendable support to the ESU throughout his career. Roberto was an excellent shipmate and we wish him all the best during his retirement years.



Ship reports

S/R American Progress

ESU Board officer visited the vessel in Anacortes, WA on June 22. MS Shannon Wegner filling in as Ship Rep. Many questions and discussions about recent Contract negotiations. Vessel continues ANS service between Puget Sound and Valdez.

Kodiak

Vessel is now in the drydock at Jurong shipyard in Singapore. The shipyard period will continue during July with the vessel returning to ANS service sometime during the month of August. Just prior to heading in the drydock the vessel was struck in the forward starboard side while lying at anchor by another vessel. The vessel received minimal damage and no crew members were injured. The additional repairs should not delay the vessel's departure from Singapore.

S/R Long Beach

The *Long Beach* continues in cold lay-up, in Labuan, Malaysia. There are no crewmembers assigned to the vessel at this time. Future plans for the vessel are unknown at the present time.

Sierra

The ship continues to trade between Valdez and the San Francisco Bay area. The *Kodiak* made an unscheduled stop at the container dock in Valdez for a minor repair before loading. Regular Ship Rep. Thor Floreen aboard and has been checking in with the ESU office.

S/R Wilmington

Board officer visited the ship, at the City dock, in Beaumont on June 19. Regular Ship Rep. Jeff Harris aboard and reports no problems. The vessel is waiting at the layberth and out of service while the Company determines the best course of action for a main engine repair.

ESU News

ESU Executive Board Summary and Explanation of the Memorandum of Understanding

The following summary of bargained changes to the Agreement between the Exxon Seamen's Union and SeaRiver Maritime, Inc. is provided to aid in explaining the official Memorandum of Understanding. Though the ESU Executive Board recommends a vote FOR the MOU, this summary is intended only to be used to better clarify the negotiated items of the MOU.

The Executive Board and Management met for 9 full days of what turned out to be very difficult bargaining. We understand that this MOU reflects a very different economic situation from the one we faced in 2008 or 2005. Nationally, times are not as lucrative now as they were in previous negotiations and that includes the maritime industry. The Union's bargaining committee believes that we have reached the best possible result under these conditions. Not only does the offer include a general wage increase and lump sum signing bonus but we were also able obtain improvements to portions of the Contract without making any concessions.

The ESU Board exchanged 20 proposals with management which included numerous quality of life issues during the bargaining process. We pressed for greater meal subsistence especially in the shipyard and they wanted 7 day work weeks while in the yard in exchange with no OT compensation. We wanted travel a day ahead of time when joining the vessel but they had no interest in this issue because of the increase cost for transportation. We proposed Business class travel for foreign shipyard travel and they also had no interest here either.

Other areas that we unsuccessfully bargained for included, but are not limited to, reimbursement of MMC and TWIC documents, TV and refrigerators in the staterooms, increases to meal and ground transportation allowances, OT hours for call out, Bosun, Paid leave, Extended Seatour compensation, Steward Department workloads (3 person STWD Dept.) and two-hour supper relief.

Item #1: Length of Contract and Wage Increase

· The term of the Agreement is for three years - September 1, 2011 to August 31, 2014. The ESU Negotiating Committee viewed a 3-year agreement as providing the best level of security for its members. The Union did not consider a longer contract term as wise considering the unpredictability of the economy any further out. Conversely, a shorter contract or wage re-opener have risks and wage re-openers weaken the Union's leverage at the bargaining table.

· Wage increase percentages for each of the three years of the proposed contract include base wages, continued service bonus (CSB), Saturday, Sunday, Holiday Overtime pay (SSHOT) Overtime rates (OT) and Penalty Time rates.

· The Union can describe the percentage increases as a true "across-the-board" raise in pay as the Union was able to secure increases in the on-watch Penalty Pay rates. Penalty rates were overdue for an increase since those rates had not been increased since 2001.

· Following ratification of the MOU, a one-time non-benefit lump sum bonus of $2250.00 will be paid to all active members in September. This payment will be a separate payment. As with all earned income, this gross lump sum amount will be subject to income tax withholdings.

· The MOU provides for a 9% total in increases to base wages, CSB, SSHOT, OT and Penalty rates by September 1, 2014.

Item #2: Union Administration Clause

Amends existing language under Article III, Section 3, paragraph A(2) and A(10). The first part addresses the Company's interest of receiving advance notification of a least one month for the Union officer that will be on assignment. Further, the officer will be required to make travel arrangements no later than 14 days before his/her date for the assignment to office. This is primarily a cost saving measure to the Company by receiving 2 week advance fare tickets. The only change to Section III, Section 3, paragraph A(10) is the reference date to the new contract effective date which will be September 1, 2001.

Item #3: Statement of Earnings – Article IV, Section 9

The change to this section refers to mailing pay vouchers to members that are aboard the vessel. Pay vouchers will continue to be mailed to everyone's home address but if you wish to receive your voucher on the vessel you will need to fill out a form and receive it via e-mail attachment (PDF). Several members already receive their vouchers in this manner and one advantage of e-mail delivery is the advance delivery (usually 5 days before the pay date). If you do not currently have an e-mail account there are several free providers of e-mail accounts such as Google, Yahoo and MSN (Hotmail). Forms will be made available to membership for sign-up for e-mail delivery of vouchers

Item #4: Loss of Clothing – Article IV, Section 8

The amount in both A and B of this article was increased from $750 to $1000.

Item #5: Article VIII, Section 2(B)

In addition to the dinner subsistence that is currently received when departing the vessel, members will also receive additional meal allowances when traveling from the vessel based on the travel schedule that is provided by the Company. Example: If you are required to take a late flight home and traveling during breakfast time you will now receive subsistence at the breakfast rate.

Item #6: General Working Rules – Article XII, Section 9(C)

Maintenance Seamen will now be granted a rest period when required to perform the following tasks between the hours of 0000 and 0800: Docking, undocking, putting out or taking in the gangway, breaking out or stowing mooring lines, or connecting or disconnecting cargo hoses. Section 9(A) requires that you work more than two hours to qualify for the rest period.

Item #7: Article XII, Section 22 Personal Protective Clothing (PPE)

Changes were made to 3 of the 4 areas of the Company's PPE program.

· The only item that did not change is the Coveralls/Clothing provision.

· On the Safety Shoe Program there is an increase in the subsidy to $200 per year which a member will receive in a non-taxable payment in mid-February of each year. The shoes must conform to the standards listed in the Contract language.

· Winter (Arctic) Clothing – Employees will be able to buy arctic clothing from any vendors they choose and will receive a tax assisted payment of $400 dollars in mid-February once every three years. The Company defines tax assistance as follows: Tax Assistance is provided in two steps. The first occurs when the tax assistable item is reported via payroll. At this point, interim tax assistance is provided at standard rates for Federal withholding, State withholding, Social Security and Medicare. The interim tax assistance is provided for Federal tax at a flat rate of 25%. The second step occurs at year end. We accumulate all the tax assistable earnings and the amount of interim assistance to determine the correct amount the employee should receive according to his actual federal and state tax tables. In case any additional tax assistance is due, it will be added to the employee's earnings/withholding at year end and paid to the appropriate taxing authorities on their behalf. If the assistance that was given is too high, an adjustment will be made to the earnings/withholding.

· Safety glasses will be reimbursed at $150 instead of $100 but no other change to this program.

Item # 8: Amend X, Section 5(G)

The change here is the time limit one has to obtain an Oiler endorsement and retain his/her reserved spot on the QMED-Oiler promotion list. The time limit was changed from the 6 months to 12 months. The US Coast Guard process for document upgrades and renewals have become more time consuming and 6 months can be an insufficient amount of time to complete the process. This item was inadvertently left out of the initial MOU that went out right after bargaining was concluded. The Company produces that document and the omission was not intentional.

As outlined under the ESU Constitution and Bylaws, a 60-day voting period has been established with the American Arbitration Association in New York and ballots have been mailed to the membership. The deadline for the Contract vote is August 15, 2011, at 10:00 a.m.

The ESU Board encourages any members that are in need of further explanation or clarification of the proposed 2011 Contract to contact the ESU office (281-474-2430/800-213-7236) or speak to any Executive Board officer.

Kodiak in Singapore

The crew of the Kodiak waiting to go ashore for some well deserved shore leave after the vessel arrived in the shipyard in Singapore. Everyone was ready for some time off the ship following the vessel cleanup period and trans-Pacific crossing. Pictured from left to right: Fleet Chef Randy Rockel; AB Winston Howerton; MS Wilfredo Villarta (rear), AB Diole Bonifacio, and MS Cory Conroy. Photo by ESU Rep. Tim Williams.

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

EXXON SEAMEN'S UNION
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SUMMARY ANNUAL REPORT FOR SUP WELFARE PLAN, INC.

This is a summary of the annual report of the SUP Welfare Plan, Inc., EIN 94-1243666, for the year ended July 31, 2010. The annual report has been filed with the Department of Labor, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

The Board of Trustees of SUP Welfare Plan, Inc. has committed itself to pay certain medical, dental and death claims incurred under the terms of the plan.

Insurance Information

The plan has contracts with Health Net, Kaiser Foundation Health Plan of the Northwest, Kaiser Foundation Health Plan Hawaii, Kaiser Foundation Health Plan, Inc., Dental Health Services of Washington, Group Health Cooperative, BlueCross BlueShield of Louisiana, Guaranty Assurance Company, MHN Services, Delta Dental of California, UnitedHealthcare Insurance Company and The United States Life Insurance Company in the City of New York to pay certain medical, dental, and death claims incurred under the terms of the plan. The total premiums paid for the plan year ending July 31, 2010 were $3,830,930.

Basic Financial Statement

The value of plan assets, after subtracting liabilities of the plan, was $14,291,087 as of July 31, 2010, compared to $13,967,866 as of August 1, 2009. During the plan year the plan experienced an increase in its net assets of $323,221. This increase includes unrealized gains 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. During the plan year, the plan had total income of $6,669,603, employer contributions of $5,615,114, employee contributions of $42,592, realized losses of $81,718 from the sale of assets, earnings from investments of $1,075,692, and other income of $17,923.

Plan expenses were $6,346,382. These expenses included $846,409 in administrative expenses and $5,499,973 in benefits paid to participants and beneficiaries.

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. Transactions in excess of 5% of plan assets; and
5. Insurance information including sales commissions paid by insurance carriers.

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, at 730 Harrison Street, Suite 415, San Francisco, CA 94107, telephone (415) 778-5490. The charge to cover copying costs will be $27.50 for the full report, or $.25 per page for any part thereof.

You also have the right to receive from the plan administrator, on request and at no charge, a statement of the assets and liabilities of the plan and 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 at 730 Harrison Street, Suite 415, San Francisco, CA 94107, and at the U.S. Department of Labor in Washington, D.C., or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to Public Disclosure Room, Room N1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.

SUP gang in *Maunawili* takes a blow in Guam

In this picture, from left are SUP members: AB Day James Stepsltra, Bosun Dale Gibson, AB Day (delegate) Philip Howell, and AB Watch Mark Littlejohn. Having a cookout at the seamen's center in Guam (which since has closed down) during the Maunawili's recent port stay on April 27. A big thanks to the U.S.S. center for letting us use their facilities and helping with side items.

Welfare Notes

June 2011

Stable Value Fund Replacement

The Standard has informed the Trustees of the SUP Money Purchase Pension and 401(k) Plans that Bank of America has decided to discontinue its Stable Value Fund effective August 15, 2011. At the June 21 meeting of the Board, the Trustees selected the Charles Schwab Stable Value Retirement Fund as a replacement. The Charles Schwab fund has historically provided superior performance to the Bank of America product, but offers the same security for participants' account balances. The Trustees feel this will be a safe move for Plans participants' assets and a good opportunity to improve the overall investment growth in the Plans.

In the near future, Plans participants will receive a notification from The Standard in this regard. Participants will be asked to select between two options: Firstly, participants may choose to allow their existing account balances to automatically be moved from the discontinued Bank of America Stable Value Fund to the Charles Schwab Stable Value Retirement Fund. No action would be required of participants in this case. Alternatively, participants may choose to direct a portion or all of their account balances currently held in the Bank of America Stable Value Fund to any of the other investment options in the Plans. An investment selection form will be enclosed with the notification for this purpose. All participants' account balances in the Bank of America Stable Value Fund for which no new investment directives have been received by The Standard by the second week of August will be defaulted into the Charles Schwab Stable Value Retirement Fund.

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SUP Welfare Plan
730 Harrison Street #415, San Francisco, CA 94107
Phone: 415-778-5490 or 1-800-796-8003; Fax: 415-778-5495
SIU-PD Pension 415-764-4987
SIU-PD Supplemental Benefits 415-764-4991

SUMMARY ANNUAL REPORT FOR SIU PACIFIC DISTRICT SEAFARERS' MEDICAL CENTER FUND

This is a summary of the annual report of the SIU Pacific District Seafarers' Medical Center Fund, EIN 94-2430964 for the year ended June 30, 2010. The annual report has been filed with the Department of Labor, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

Benefits under the plan are provided by the SIU Pacific District Seafarers Medical Center Fund, a trust fund.

Basic Financial Statement

The value of plan assets, after subtracting liabilities of the plan, was $(124,844) as of June 30, 2010, compared to $(138,607) as of July 1, 2009. During the plan year the plan experienced an increase in its net assets of $13,763. During the plan year, the plan had total income of $549,884, including employer contributions of $538,589, earnings from investments of $51 and other income of $11,244.

Plan expenses were $536,121. These expenses included $150,363 in administrative expenses, and $385,558 in benefits paid to participants and beneficiaries.

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; and
3. Assets held for investment.

To obtain a copy of the full annual report, or any part thereof, write or call the office of SIU Pacific District Seafarers' Medical Center Fund, 730 Harrison St., Suite 400, San Francisco, CA 94107, (415) 392-3611. The charge to cover copying costs will be $2.25 for the full annual report, or $.25 per page for any part thereof.

You also have the right to receive from the plan administrator, on request and at no charge, a statement of the assets and liabilities of the plan and 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, at 730 Harrison Street, Suite 400, San Francisco, CA 94107, and at the U.S. Department of Labor in Washington, DC or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: Public Disclosure Room, N-1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.

SUMMARY ANNUAL REPORT FOR SIU PACIFIC DISTRICT SUPPLEMENTAL BENEFITS FUND, INC.

This is a summary of the annual report of the SIU Pacific District Supplemental Benefits Fund, Inc., EIN 94-1431246 for the year ended July 31, 2010. The annual report has been filed with the Employee Benefits Security Administration, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

Benefits under the Plan are provided by the SIU Pacific District Supplemental Benefits Fund, Inc., a Trust Fund.

Basic Financial Statement

The value of plan assets, after subtracting liabilities of the plan, was $94,919 as July 31, 2010, compared to $427,754 as of August 1, 2009. During the plan year the plan experienced a decrease in its net assets of $332,835. 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. During the plan year, the plan had total income of $7,990,099, which included employer contributions of $7,977,512, realized losses of $6,792 from the sale of assets, and earnings from investments of $19,379.

Plan expenses were $8,322,934. These expenses included $425,382 in administrative expenses and $7,897,552 in benefits paid to participants.

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. Transactions in excess of 5% of plan assets.

To obtain a copy of the full annual report, or any part thereof, write or call the office of SIU Pacific District Supplemental Benefits Fund, Inc., at 730 Harrison Street, Suite 400, San Francisco, CA 94107, telephone number (415) 764-4990. The charge to cover copying costs will be $4.00 for the full annual report, or $0.25 per page for any part thereof.

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

You also have the legally protected right to examine the annual report at the main office of the plan at 730 Harrison Street, Suite 400, San Francisco, CA 94107, and at the U. S. Department of Labor in Washington, D.C., or to obtain a copy from the U. S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to Public Disclosure Room, Room N1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N. W., Washington, D.C. 20210.

SUMMARY ANNUAL REPORT FOR ANDREW FURUSETH SCHOOL OF SEAMANSHIP TRAINING PLAN

This is a summary of the annual report of the Andrew Furuseth School of Seamanship Training Plan, EIN 30-0162507, for the year ended July 31, 2010. The annual report has been filed with the Employee Benefits Security Administration, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

Basic Financial Statement

The value of plan assets, after subtracting liabilities of the plan, was $870,984 as of July 31, 2010 compared to $874,087 as of August 1, 2009. During the plan year, the plan experienced a decrease in its net assets of $3,103. The plan had total income of $522,472 including employer contributions of $418,039, earnings from investments of $6,850 and other income of $97,583.

Plan expenses were $525,575. These expenses included $94,853 in administrative expenses and $430,722 in benefits paid to or for participants.

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; and 3. Assets held for investment.

To obtain a copy of the full annual report, or any part thereof, write or call the office of Andrew Furuseth School of Seamanship Training Plan, 730 Harrison Street, Suite 415, San Francisco, CA 94107, and telephone (415) 778-5490. The charge to cover copying costs will be $1.75 for the full annual report, or $.25 per page for any part thereof.

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

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

SIU Pacific District Pension Plan Summary of Plan Improvements for Active Members

	Monthly Benefit 7/1/10	**Monthly Benefit 7/1/11**
I Long Service Benefit (25YQT)		
(1) Retiring at age 60 or older	$1,646.00	$1,700.00
(2) Eligible for Soc. Sec. Dis., any age	$1,646.00	$1,700.00
(3) Retiring between ages 55 and 60	$1,374.91	$1,420.00
(4) Retiring under age 55	$300.00	$300.00
II Basic Service Benefit (20YQT)		
(1) Retiring at age 60 or older	$1,316.80	$1,360.00
(2) Eligible for Soc. Sec. Dis., any age	$1,316.80	$1,360.80
(3) Retiring between ages 55 and 60	$1,186.09	$1,225.00
(4) Retiring under age 55	$250.00	$250.00
III Reduced Service Benefit		
(1) 15YQT	$740.70	$765.00
(2) 16YQT	$790.08	$816.00
(3) 17YQT	$839.46	$867.00
(4) 18YQT	$888.84	$918.00
(5) 19YQT	$938.22	$969.00
IV Disability Retirement Benefit		
(1) 25YQT retiring at age 60 or older	$1,646.00	$1,700.00
(2) 25YQT retiring at ages 55-59	$1,374.91	$1,420.00
(3) 25YQT retiring under age 55	$300.00	$300.00
(4) 20YQT-24YQT retiring at age 60 or older	$1,316.80	$1,360.00
(5) 20YQT-24YQTretiring at ages 55-59	$1,186.09	$1,225.00
(6) 20YQT-24YQT retiring under age 55	$250.00	$250.00
(7) 15YQT-19YQT	$187.50	$187.50
(8) 15YQT-19YQT and eligible for Soc. Sec. Dis.	$218.50	$218.50
(9) 10YQT-14YQT	$125.00	$125.00
V Dependent Child Benefit		
(1) Per child under age 18	$25.00	$25.00
VI Deferred Vested Benefit per year of Qualifying Time		
(1) 200 or more qualifying days	$49.38	$51.00
(2) 125 to 200 qualifying days	Pro Rata	Pro Rata
(3) Less than 125 qualifying days	$0.00	$0.00

Labor Archives and Research Center San Francisco State/Flyaway Productions

Presents

"Sympathetic"

An Aerial Dance Performance

by Jo Kreiter/Flyaway Productions with music composed by Pamela Z

Celebrating the Labor Archives and Research Center's 25th Anniversary

Dance will be performed on the side of the Historic Rincon Annex Post Office Building

Corner of Steuart and Mission Streets in San Francisco, California

Free and open to the public.

July 9, 2011 at 1:00 p.m. and 3:00 p.m.

A free walking tour will take place between the performances

On July 9 at 1:00 P.M. and 3:00 P.M., the Labor Archives and Research Center in partnership with Flyaway Productions, Jo Kreiter (choreographer), and Pamela Z (composer and musician), will premiere "Sympathetic". Known for their aerial dance performances incorporating buildings into their choreography, Flyaway will be dancing on the side of the historic Rincon Annex Post Office building utilizing rigging to create space and movement. The Labor Archives commissioned Flyaway Productions to create a unique performance honoring labor as part of their 25th anniversary celebration. "Sympathetic" explores the historic 1934 San Francisco General Strike, a pivotal event in the city's history.

ELIGIBILITY RULES FOR WELFARE PLAN BENEFITS

The following will serve as an overview of SUP Welfare Plan eligibility rules:

Effective May 1, 2005, eligibility for Active Employee Benefits and Active Employees' Dependent Benefits were classified into three groups; Group 1, Group 2, and Group 3.

GROUP 1

Participants who are employed in the following work categories will have mandays credited toward Group 1 eligibility:

- Maritime Security Fleet vessels operated by APL, Ltd.
- Matson Navigation Company commercial vessels (except the IBT Moku Pahu)
- APL or Matson Maintenance Agreements–Regular Shore Gang only; Extra Maintenance personnel are in Group 3

FOR INITIAL GROUP 1 ELIGIBILITY:

An employee will be required to work 120 qualifying mandays in a consecutive 12-month period to be entitled to Group 1 eligibility. 12 months of benefit coverage will be provided starting with the 1st day of the month following completion of the 120th qualifying manday. Qualifying mandays will include only mandays worked from Group 1 employment. Neither Group 2 nor Group 3 mandays can be used to establish or continue Group 1 eligibility. However, Group 2 mandays can be used to establish and continue Group 2 or 3 eligibility as explained under the Group 2 Eligibility rules below. Group 3 mandays can be used to establish and continue Group 3 eligibility as explained under the Group 3 Eligibility rules below.

CONTINUING GROUP 1 ELIGIBILITY:

After establishing initial eligibility, an employee will extend the initial 12-month benefit period by working a minimum of 60 qualifying mandays within that 12-month benefit period. Upon completion of the 60th qualifying manday, coverage will be rolled forward to provide 12 months of continuing coverage measured from the first day of the month following completion of the 60th qualifying manday. Each new period of 60 qualifying mandays will roll forward an employee's eligibility for up to 12 months, provided those mandays are all completed during the employee's most recent 12-month benefit period under Group 1. Qualifying mandays will include only mandays worked from Group 1 employment. Group 2 and Group 3 mandays cannot be used to continue Group 1 eligibility. Once a manday has been used to establish initial or continuing eligibility, it cannot be reused to establish or further extend an employee's eligibility.

REESTABLISHING GROUP 1 ELIGIBILITY:

To re-establish eligibility that has lapsed due to insufficient qualifying mandays, 120 qualifying mandays must be worked in a consecutive 12-month period beginning after Group 1 eligibility lapsed. Qualifying mandays will include only mandays worked from Group 1 employment. Group 2 and Group 3 mandays cannot be used to reestablish Group 1 eligibility.

GROUP 2

Participants who are employed in the following work categories/Employers will have mandays credited toward Group 2 eligibility:

- Military vessels (LMSRs, RRF, etc.) operated by Patriot Contract Services or Matson Navigation Company
- Matson Navigation Company IBT Moku Pahu
- APL non-MSP vessels
- Employees of Foss Maritime
- Employees of SF Bar Pilots.

FOR INITIAL GROUP 2 ELIGIBILITY:

An employee will be required to work 120 qualifying mandays in a consecutive 12-month period to be entitled to Group 2 eligibility. Six months of coverage will be provided starting with the 1st day of the month following completion of the 120th qualifying manday. Qualifying mandays will include only mandays worked from both Group 2 and Group 1 employment. Group 3 mandays cannot be used to establish or continue Group 2 eligibility, but can be used to establish or continue Group 3 eligibility as explained under Group 3 Eligibility below.

CONTINUING GROUP 2 ELIGIBILITY:

After establishing initial eligibility, an employee will extend the initial 6-month benefit period by working a minimum of 60 qualifying mandays within that 6-month benefit period. Upon completion of the 60th qualifying manday, coverage will be rolled forward to provide 6 months of continuing coverage measured from the first day of the month following completion of the 60th qualifying manday. Each new period of 60 qualifying mandays of employment will roll forward an employee's eligibility for up to 6 months, provided those mandays are all completed during the employee's most recent 6-month benefit period under Group 2. Qualifying mandays will include only mandays worked from both Group 2 and Group 1 employment. Group 3 mandays cannot be used to continue Group 2 eligibility, but may qualify for Group 3 eligibility. Once a manday has been used to establish initial or continuing eligibility, it cannot be reused to establish or further extend an employee's eligibility.

REESTABLISHING GROUP 2 ELIGIBILITY:

To reestablish eligibility that has lapsed due to insufficient qualifying mandays, 120 qualifying mandays must be worked in a consecutive 12-month period beginning after Group 2 eligibility lapsed. Qualifying mandays will include only mandays worked from both Group 2 and Group 1 employment. Group 3 mandays cannot be used to reestablish Group 2 eligibility.

GROUP 3

Participants who are employed in the following work categories will have mandays credited toward Group 3 eligibility:

- Employees working under the APL or Matson Extra Maintenance Agreements–Extra Maintenance Personnel (casual standbys)

Participants who become eligible under the following Group 3 eligibility rules qualify for USPHS Replacement Program benefits under the Plan for themselves only; there is no dependent coverage for these participants.

FOR INITIAL GROUP 3 ELIGIBILITY:

An employee will be required to work 120 qualifying mandays in a consecutive 12-month period to be entitled to Group 3 eligibility. Qualifying mandays will include mandays worked from Group 3, Group 2 and Group 1 employment. 6 months of coverage will be provided starting with the 1st day of the month following completion of the 120th qualifying manday.

CONTINUING GROUP 3 ELIGIBILITY:

After establishing initial eligibility, an employee will extend the initial 6-month benefit period by working a minimum of 60 qualifying mandays within that 6-month benefit period. Upon completion of the 60th qualifying manday, coverage will be rolled forward to provide 6 months of continuing coverage measured from the first day of the month following completion of the 60th qualifying manday. Each new period of 60 qualifying mandays will roll forward an employee's eligibility for up to 6 months. Qualifying mandays will include mandays worked from Group 3, Group 2 and Group 1 employment. Once a manday has been used to establish initial or continuing eligibility, it cannot be reused to establish or further extend an employee's eligibility.

REESTABLISHING GROUP 3 ELIGIBILITY:

To reestablish eligibility that has lapsed due to insufficient qualifying mandays, 120 qualifying mandays must be worked in a consecutive 12-month period beginning after Group 3 eligibility lapsed. Qualifying mandays will include mandays worked from Group 3, Group 2 and Group 1 employment.

It is important to note that the Plan tracks an employee's eligibility for benefit coverage separately based on work in each Group category. For example, if an employee loses Group 1 eligibility, the Plan will look at the mandays credited towards the other two eligibility Groups to determine if the Employee still has either Group 2 or Group 3 eligibility. Once an employee's eligibility under any Group lapses, that employee can only reestablish eligibility under that Group by once again satisfying the initial eligibility rules of that Group based on qualifying mandays since eligibility lapsed.

Active participants can contact the SUP Welfare Plan at 1(800) 796-8003, if they have any questions pertaining to eligibility for Plan benefits.

APL Philippines

Four member of the SUP deck gang in the APL Philippines on the D Deck passageway in Oakland, May 25. From left: AB Doug Olney, AB Gus Silva, AB and delegate Dave Sylstra and Bosun Dave Munroe. Photo: Dave Connolly.

House thwarts attack on food aid

On June 15, the House of Representatives considered amendments to the Fiscal Year 2012 Agriculture Appropriations Bill (H.R. 2112). Among those amendments were those offered by Representatives Jason Chaffetz (R-Utah) and Paul Brown (R-Georgia) that would have stripped most or all the funding for U.S. Food Aid programs, including Food for Peace which is required to be carried in U.S.-flag ships.

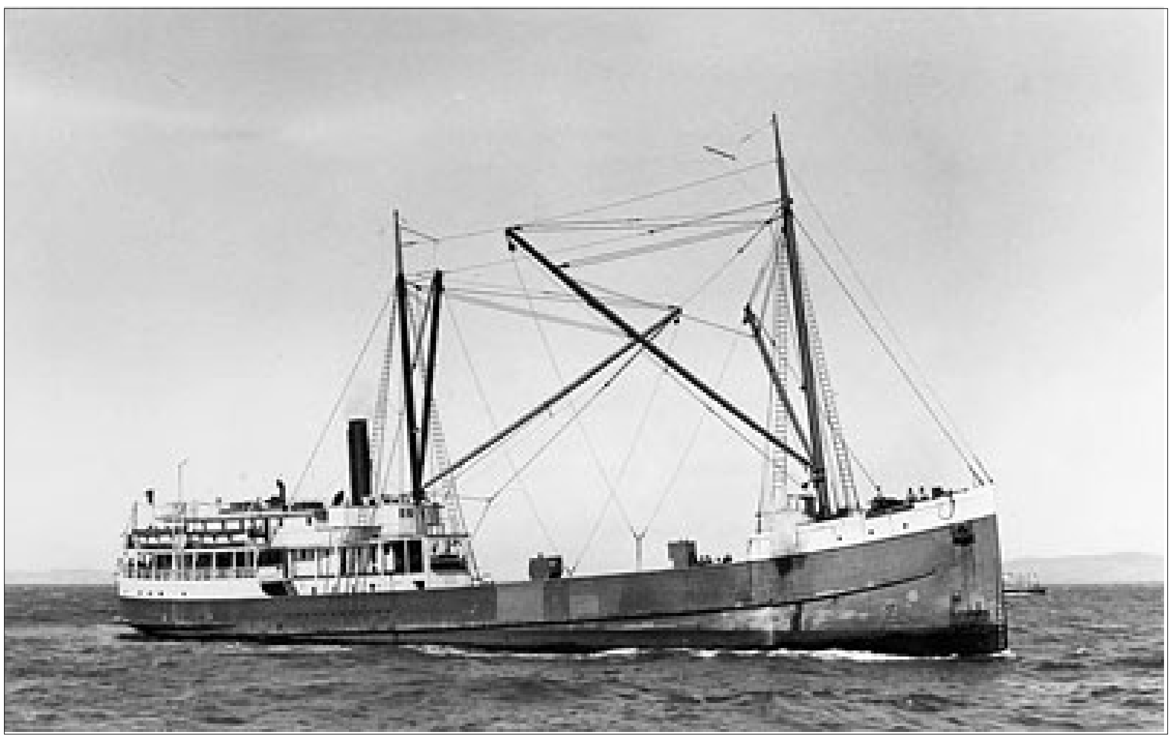
These amendments were soundly defeated, due in large part to the lobbying efforts of the USA Maritime Coalition which the SUP in a member.

However, the food aid programs are still slated for a 33% funding cut in the Republican-controlled House.

Attend your monthly Union meeting

WAPAMA

Last of the steam schooners to be dismantled



The *Wapama* transiting the Pacific Coast in her heyday with the SUP aboard.

The wooden steam schooner *Wapama*, the last of approximately 225 steam schooners built between the 1880's and the 1920's for the lumber and passenger trade is going to be dismantled by the National Park Service after years of neglect by the government.

The *Wapama* was launched on January 20, 1915 in St. Helens, Oregon. Loaded with lumber, she was towed to San Francisco for the installation of a 825 horsepower triple expansion steam engine built by Main Street Iron Works of San Francisco and two water tube boilers by Babcock & Wilcox. She was also outfitted with accommodations for 45 first class passengers and 12 to 22 passengers in steerage. She required eight months to build and cost about $150,000.

From 1915 to 1930, the *Wapama* plied the coastwise passenger and lumber trade under the ownership of the Sailors' Union of the Pacific contracted-Charles R. McCormick Lumber Company. Her principal ports of call were Portland, Astoria, San Francisco, San Pedro and San Diego. However, she called as far north as Vancouver, British Columbia and as far south as Guaymas, Mexico.

With about two-thirds as deckload, the *Wapama* could carry over a million board feet of lumber from the wooded Northwest to San Francisco and ports south. Along with over two hundred similar steam schooners and hundreds of two-, three-, and four-masted sailing schooners such as the three-masted *C.A. Thayer*, the *Wapama* carried the timber that built the cities of the West Coast.

The *Wapama* also carried passengers. Vernon Hatchitt, who in 1919 as a kid of 14 sold newspapers aboard the *Wapama* when she visited Portland, recalled in a 1981 interview that when the shipping lines "were having a rate war you could travel to San Francisco for $5.00. In fact, the San Francisco grocery stores used to advertise their weekend specials in the Portland papers; you could make the round trip down there, stock up on groceries, and still save money."

Sold in 1930 to the SUP-contracted Los Angeles-San Francisco Navigation Company, known as the "White Flyer Line," the *Wapama* carried passengers between San Francisco and Southern California until 1937. According to the line's supper menu for December 17, 1932, passengers could choose between entrees of "Link Pork Sausage & Fried Apple," "Assorted Cold Meats," and "Baked Macaroni with Cheese."

Sold to the SUP-contracted Viking Steamship Company in 1937 for $12,500, the *Wapama* was overhauled for an additional $10,000 and placed back in passenger service to Los Angeles. Fare was $8 between San Francisco and Los Angeles, dinner and breakfast included. Failing to make money at these rates, she was laid up after two trips.

Purchased in 1937 by the SUP-contracted Alaska Transportation Company for $30,000, the *Wapama* was renamed *Tongass* and entered the Seattle to South-East Alaska passenger and cargo trade. For many ports of call, the *Tongass* was the only link to civilization. The late Charlie Regal, a former SUP sailor in the *Tongass* during World War II, recalled: "It was like being on the *Robert E. Lee* on the Mississippi. You go into Pelican, California, to deliver a couple of cases of whiskey and the whole town would turn out. All six of them." She continued in this trade until 1947 when she struck a rock on Alaskan voyage and was laid up in Lake Union.

Sold for scrap in 1949, the *Tongass* (ex-*Wapama*) was laid up in Seattle for nearly a decade. With support by State Senator Thomas A. Maloney, SUP Secretary Harry Lundeberg, steamship line executives, and others, the State of California Division of Beaches and Parks purchased "One used steam schooner" in 1957 for $16,000 under 1955 legislation establishing within the State Park system the San Francisco Maritime State Historical Monument. Extensive restoration commenced in 1957. She arrived in San Francisco under tow in 1959 and was opened to the public in 1963 at the Hyde Street Pier.

The *Wapama* on her barge in Richmond, California, waiting to be dismantled.

In 1977, the *Wapama* was transferred to the U.S. Department of the Interior, Golden Gate National Recreation Area, along with the other "State Historic Ships." With deterioration advancing, the *Wapama* was placed on a barge in 1980. She has remained on the barge since, first in the Oakland Estuary and in 1986 in Sausalito. A temporary roof was built over her in 1986 to prevent rot-inducing rainwater from soaking her topsides. In order to stop the spread of rot, the National Park Service conducted a feasibility study beginning in 1987 on the effects of borate spray treatment on the *Wapama's* rot. While this treatment proved successful in stopping rot in the areas in which it was administered, the treatment was stopped after about 9 months in 1988, and was not extended to other areas of the vessel. From at least. 1984, an active volunteer program of over 300 regular volunteers maintained the *Wapama*. However, this program was terminated by the Park Service in about 1988.

In 1996, the Pacific Steamschooner Foundation was organized by retired Rear Admiral Tom Patterson and Ed Zelinsky, a vice president of the World Ship Trust to save the ship. They were supported by Karl Kortum, a founder of the San Francisco Maritime Museum. Patterson, Zelinsky and Kortum have all crossed the bar.

By 1997, the maritime park's general management plan called for "minimal" measures to slow the *Wapama's* deterioration, but it added, "The vessel's underlying structural decay will not be addressed." That, essentially, was a death sentence for the ship.

The *Wapama* was removed from Sausalito and stored on its barge out of public sight in a backwater channel in Richmond. Rainwater leaked through the decks, maintenance was at an absolute minimum, and the ship became so riddled with rot that the Park Service now fears it might not survive another winter.

Preliminary government estimates show that it would cost $21.7 million to stabilize the vessel on the barge, and $61.4 million for a full rehabilitation. A congressional appropriation of that size in unlikely.

Instead, the Park Service hopes to preserve the ship's engine, and perhaps some of the timber or large artifacts.

SUP President's Report

June 14, 2011

SUP WELFARE PLAN

Last year, Dale MacGillivray, Offshore Labor Relations Manager for Matson, notified the Union that SUP members employed in the Honolulu Paint & Rigging Gang under the Maintenance Agreement had allegedly misreported vacation days on their time cards with that practice resulting in an overpayment of benefit contributions to the SUP Welfare Plan.

Your secretary informed Ms. MacGillivray that the company time card system was Matson's responsibility and if there were any erroneous contributions made, it was due to the incompetence of the company's payroll staff.

Last month SUP Welfare Plan Administrator, Michelle Chang, was informed by Matson that the company was unilaterally taking a $27,036.25 credit for May 2011, for so-called "overpayments" to the Plan from 2008-2010. Matson also informed Ms. Chang that the company intended to take a $20,000 credit for June 2011, for the same reason.

According to MFOW President Anthony Poplawski, Matson took the same action in April with the MFOW Plans, again claiming erroneous time cards submitted by MFOW shoreside mechanics on Matson's Sand Island terminal.

Through Administrator Chang, the SUP has demanded that Matson pay the May contributions with interest and not withhold the June contribution which is due on the 20th of this month.

Under Section 403(c)(2)(A)(ii) of the Employee Retirement Income Security Act (ERISA), the Plan Trustees may allow the return of mistaken employer contributions within six months after the plan administrator determines that the erroneous contribution was made. Nothing in the law requires the plan trustees to return the mistaken contributions, however, a U.S. Court of Appeals for the Ninth Circuit case law clarifies that employers could assert a cause of action to recover those funds absent trust language limiting the time period within which such overpayments can be returned. If the trust agreements contain provisions restricting the return of mistaken employer contributions to a set time period, then the trustees must follow that provision.

The Union trustees (Dave Connolly and your secretary) will demand that this unilateral action by Matson be rectified at the June 21, SUP Welfare Plan Trust meeting.

SUP MONEY PURCHASE PENSION PLAN & 401(k) PLAN

The Standard, the third party administrator of the SUP Money Purchase Pension Plan and 401(k) Plan, has notified the Trustees of the Plans that the Bank of America Stable Value Fund will be discontinued by Charles Schwab, the custodian of the Plans, effective August 15, and therefore, no longer available to Plan participants after that date.

At the regularly scheduled meeting of the Board of Trustees on June 21, a comparable fund to replace the Bank of America Fund will be selected. That selection will be published in the Welfare Notes section of the June *West Coast Sailors*.

APL MARINE SERVICES

In accordance with the April 1, 2009 collective bargaining agreement between the Union and APL, wages and wage-related items (overtime, Supplemental Benefits) will increase in non-Maritime Security Program (MSP) vessels–*APL Agate*, *APL Coral*, *APL Japan*–by 2.5% effective June 16.

Recommend that the wage increase be applied to wages and wage-related items.

New wage rates will be published in the June *West Coast Sailors*.

On October 1, the Supplemental Benefit days shall increase from 16 to 17 days per month for non-MSP and MSP vessels.

Also on October 1, there shall be a 2.5% increase in wages and wage-related items for the nine company vessels enrolled in the Maritime Security Program (*Presidents Adams, Jackson, Polk, Truman, APL China, APL Korea, APL Philippines, APL Singapore, APL Thailand*). This increase will also be applicable to those employed under the Maintenance and Extra Maintenance Agreements.

MATSON NAVIGATION COMPANY

In accordance with the 2008-2013 collective bargaining agreement with Matson, wages and wage-related items in all company vessels (including the *ITB Moku Pahu*) plus those employed under the Maintenance and Extra Maintenance Agreements a 3.5% increase is due July 1.

Recommend that the wage increase be applied to wages and wage-related items.

New wage rates will be published in the June *West Coast Sailors*.

FOSS MARITIME COMPANY

At the request of the company, the SUP met with representatives of Foss at Headquarters on June 9, to discuss a company proposal to amend the current collective bargaining agreement which expires on February 29, 2012.

Attending for the company was Mike O'Connor, Director of Labor Relations; Bob Gregory, Northern California Regional Director; Laura Rosenberg, Marine Personnel Manager; and Walt Partika, Tank Barge Supervisor. The Union was represented by Don Nichols, Carl Turner and Tom Tynan, SUP members employed by Foss and Vice President Dave Connolly and your secretary.

The issue at hand is that in the agreement there is a provision where the Inlandboatmen's Union and the SUP agree to share jurisdiction to allow the most efficient use of the company's tugs in San Francisco Bay. There is also a provision in the agreement to reconcile the work hours of the two Unions so that the work on the tugs can be equalized. This formula has not worked as the SUP has gotten more work than the IBU, according to company records. Therefore, Foss and the IBU want to amend the agreement to remedy the problem.

The SUP made several informational requests to Foss who, as of today's meeting, has not responded. Anticipate more meetings between the parties on the issue.

PATRIOT CONTRACT SERVICES

The crewing services agreement between Patriot and the SUP for vessels operated by Kwajalein Range Services (KRS) expires on June 30. If KRS extends the agreement with Patriot, effective July 1, there will be a 2% increase in total labor costs to unlicensed personnel serving in the *USAV Worthy*, *USAV Double Eagle*, *USAV Great Bridge* and *USAV Mystic*. The agreement between Patriot and the SUP covers unlicensed deck department personnel.

SAN FRANCISCO BAR PILOTS

Acting in the best interests of the Union and those members employed by the San Francisco Bar Pilots, your secretary sent letters this month to members of the California legislature opposing and supporting two bills that are pending in Sacramento. The California Labor Federation, the Alameda Labor Council, the San Francisco Labor Council and the MFOW have sent similar letters:

The Honorable Bonnie Lowenthal, Chair
Assembly Transportation Committee
State Capitol, Sacramento, CA 95814

RE: <u>AB 656 (Huber) - Oppose</u>

Dear Chairwoman Lowenthal:

On behalf of the membership of the Sailors' Union of the Pacific, I write to oppose AB 656 introduced by Assemblymember Alyson Huber to amend the Harbors and Navigation Code to eliminate the Board of Pilot Commissioners for the Bays of San Francisco, San Pablo and Suisun and their tributaries.

One of the first acts of California's legislature in 1850 was to establish the Board of Pilot Commissioners to regulate pilotage, "to avoid damage to such waters and surrounding ecosystems as a result of vessel collision or damage, by providing competent, efficient and regulated pilotage for vessels required to secure pilotage services."

Without the Board of Pilots Commissioners there would be chaos on the bodies of water covered by the Board's jurisdiction, just as there was prior to its establishment.

The Board of Pilot Commissioners licenses and regulates pilots in order to ascertain and guarantee the qualifications, fitness and reliability of qualified personnel who can provide safe pilotage of vessels entering and using the Bays of San Francisco, San Pablo and Suisun and the 20 ports that are in those waterways. With the increase in vessel size and traffic, and the increase in cargoes carried in bulk, particularly oil and gas and hazardous chemicals which create substantial hazards to the environment, the role of the Board of Pilot Commissioners is essential.

Therefore, I strongly urge a NO vote on AB 656.

Sincerely,
GUNNAR LUNDEBERG
President/Secretary-Treasurer

The Honorable Rod Wright, Chair,
Senate Governmental Organization Committee
State Capitol, Sacramento, CA 95814

RE: <u>AB 907 (Ma) - SUPPORT</u>

Dear Senator Wright:

The Sailors' Union of the Pacific requests your YES vote on AB 907. This bill would require the Port Agent of the San Francisco Bar Pilots to report pilot ladder and pilot hoist safety violations to future ports of call. Additionally, it would implement pilotage rate recommendations issued by the Board of Pilot Commissioners.

State pilotage is fundamental to the safe and efficient flow of commerce in Northern California. In order to ensure this state has the best qualified pilots to fulfill this mission, it is critical that California remain competitive with comparable ports. The Board of Pilot Commissioners has carefully reviewed all of the evidence and economic factors and has concluded that a modest increase is necessary. We agree. The amount of the rate increase would cost the users of piloting service around 16 cents per container. This is at a time when shipping companies are reaping average profits of around $560 per container.

The San Francisco Bar Pilots move $1.2 billion in cargo everyday and helps sustain over 44,000 Northern California jobs. If the Bay were to shut down, for instance, due to lack of quality piloting, California would lose approximately $12.2 million per hour.

This issue should only be about what benefits California. It should not be about what will cut into the profits of foreign shipping companies.

In this struggling economy, we should be doing everything we can to sustain jobs and keep our economic engine running. AB 907 will help to achieve that goal.

For these reasons, we strongly urge your YES vote on AB 907 (Ma).

Sincerely,
GUNNAR LUNDEBERG
President/Secretary-Treasurer

PORT OF REDWOOD CITY

Developers have plans to build 12,000 units of housing on the Cargill salt ponds adjacent to the Port of

continued on next page

President's Report continued

Redwood City on San Francisco Bay. The SUP on June 8, sent a letter to the Mayor and the City Council opposing this plan:

City Council, c/o City Clerk
P.O. Box 391, 1017 Middlefield Road
Redwood City, CA 94064

RE: Cargill Salt Ponds - Oppose Development

Dear Mayor Ira and Honorable Councilmembers:

On behalf of the Sailors' Union of the Pacific (SUP), I write to oppose the proposed development of the Cargill salt ponds next to the Port of Redwood City.

For over 126 years, the SUP has fought to protect the interests of merchant mariners on the Pacific Coast and nationwide. These mariners work on some 9,000 vessels that annually transit the San Francisco Bay–many to Redwood City. Protecting the vital ports of the region, by following common-sense zoning and land-use policies that keep housing away from heavy industry, is a critical concern of our members.

The SUP agrees with the statements of the International Longshore and Warehouse Union Local 10, the Teamsters Joint Council No. 7, the Port of Redwood City, Seaport Industrial Association, and the half-dozen Seaport Boulevard businesses that have spoken out against this project. There's a reason why the Port of Redwood City, in their 2008 Strategic Assessment, lists encroaching residential development as the main threat to their operations; the maritime industry has seen what happens when you mix maritime work with housing:

"Local 10 longshoremen have witnessed what happens when maritime industry and housing are mixed. Residents file lawsuits because of the lights, dust and noise (Port of Los Angeles), make it nearly impossible to complete necessary supporting road and infrastructure improvements (Port of Seattle), and ultimately create political pressure that constricts and threatens the operations of the industry and workers' jobs. And before you know it there are no more good jobs or maritime industrial port." (ILWU Local 10)

With the ever worsening congestion along freeways, in the West and East Bay, ports are more important than ever. Through short sea shipping (America's Marine Highway Program endorsed by the U.S. Department of Transportation) goods can be moved over water, keeping trucks off the road and improving the region's air quality. Redwood City should be encouraging this sort of activity, not discouraging it by putting 12,000 high-end housing units next to port industries.

Merchant mariners are proud to make a living on San Francisco Bay. In the last century, entire cities were created out of fill and whole sections of the expansive waterway were diked off for agriculture, salt making and other uses. If not for the firm commitment of Bay Area residents in recent decades, the Bay wouldn't be much more than a narrow shipping channel, if that, instead of the great resource that is taken for granted today.

It is necessary, therefore, to protect the Port and this great waterway, for the benefit of the economy and future generations.

Sincerely,
GUNNAR LUNDEBERG
President/Secretary-Treasurer

HOLIDAY

All Sailors' Union halls will be closed on Monday, July 4, in observance of Independence Day.

BLOODY THURSDAY

The annual commemoration of Bloody Thursday will be held at ports up and down the West Coast this year on Tuesday, July 5. Details of the observance will be published in the June *West Coast Sailors*.

SUP members on the beach are urged to attend these events which mark a red letter day during the 1934 coastwise maritime strike.

Two SUP brothers were killed in the 1934 strike and its aftermath. Olaf Helland was struck by a tear gas bomb on July 20, 1934, in Seattle, during the Battle of Pier 41 and died August 6.

On ships at sea, particularly those owned by Dollar Line (the predecessor of American President Lines), it was a continuous battle to rid the ships of scabs in 1934 and 1935. Union men and scabs fought on the *Presidents Grant, Hoover, Hayes, Adams* and *Coolidge* in Hong Kong and Manila. SUP member Bruce Lindberg, aged 20, was knifed and killed by the ship's scab carpenter on the *President Grant* on February 3, 1935, in Hong Kong. The murderer, Alvin Chown, was never punished. That same year on July 5, Brother Lindberg's mother and the widow of slain ILA longshoreman Shelvy Daffron, led a parade of 5,000 maritime workers in Seattle to mark Bloody Thursday.

ACTION TAKEN

M/S to concur with APL wage increase to wages and wage-related items. Carried unanimously.

M/S to concur with Matson wage increase to wages and wage-related items. Carried unanimously.

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

Gunnar Lundeberg

Vice President's Report

June 2011

APL China: Josh Entenmann, delegate. Shift in Dutch Harbor at 1000 not payable as per the minimums in Section 39 of the SUP Work Rules because watches were broken and crew was already working straight time daywork.

APL Philippines: Dave Sylstra, delegate. Using the watches at the change of the watch to avoid a callout of the watch below will lead to problems. Because of the 24/7 operations in harsh conditions, ships function best when there is a clear and established routine that allows for smooth replication of standard procedures. "Creative" callouts increase risk.

APL Singapore: Gary McDeavitt, delegate. In at Oakland with no problems.

APL Japan: Quentin Brown, delegate. Time back accrues for pirate watches stood between midnight and 0600 only on days of arrival or departure as defined by Sections 36 and 37.

APL Coral: Phil Romei, delegate. Clarification on watchstanding for daymen.

Maunawili: Phil Howell, delegate. Menu variety and provisioning issue still under discussion.

Mokihana: Rich Reed relieved John Savage as delegate. Member left his room in bad shape in Oakland as evident in pictures sent immediately after his departure. Dirty utensils left on the deck. Shower scum still in the half-scrubbed stall. Member is prevented from registration until a fine is paid. Sailors take note: the SUP will not tolerate a decline in our historic dedication to shipboard sanitary conditions.

Oregon Voyager: John McAuliffe, delegate. Good discussion on bargaining process and content. Frequent tankcleaning is the new reality in all the Double Eagle-class ships. Paul Seager is the bosun with a good gang. On the romance run to the Islands.

Cape Henry: Vern Haik, bosun. Visited this newest SUP ship in San Francisco Pier 96. In good shape after intense maintenance period. All agents and members did a fine job in the phantom activation of all RRF and LMSR ships as part of the a government test of the Union. The potential crew lists were filled with real and qualified sailors ready to go to work, some of whom were called by the government, and so the readiness of the SUP to support the national security was affirmed once again.

USNS Martin: Jack Forde, delegate. No problems. Ship is anchored off tropical island paradise.

USNS Waters: Eduardo Zepeda. Calls from the delegate indicate that things are running smooth in this hard working ship. Agent Vern Johansen serviced the ship before sailing in San Diego.

Thanks to SUP Business Agent Bill Berger for covering the ships and the front office during my vacation.

Dave Connolly

Puerto Rico politicians ask Obama for Jones Act exemption

During President Obama's trip to Puerto Rico this month, leading politicians of the commonwealth urged him to exempt the island from the Jones Act.

Popular Democratic Party (PDP) Representative Jaime Perrello and former PDP Senator Celeste Benitez both called for Obama to support exemption.

President Obama, a supporter of the Jones Act, did not respond.

July 5 events for Bloody Thursday

Seattle: The annual picnic sponsored by ILWU Locals 19, 52 and 98, will be held at Vasa Park Resort from 10:00 A.M. to 4:00 P.M.

Portland: A memorial wreath ceremony begins at 11:30 A.M. on the banks of the Willamette River followed by a picnic sponsored by ILWU Local 8. A family picnic follows with BBQ, soft drinks and live music provided. Amusement park rides for kids are available for a fee.

San Francisco: At ILWU Local 10, at 400 North Point starting at 10:00 A.M. followed by a complimentary lunch at noon. Family event with lots of activities for kids.

Los Angeles/Long Beach: The annual picnic will be held at Harry Bridges Memorial Park in Long Beach next to the *Queen Mary* from 10:00 A.M. to 6:00 P.M. The Long Beach Fire Department will BBQ for the third year in a row. Events for kids include a jump-house and slide, face painting, cotton candy, sno-cones, magicians and more. Live music will run all day plus special dance performances featuring Polynesian, Folkloric, Hip Hop and Croatian dancers.

SUP Branch Reports

Seattle

May 16, 2011

Shipped during the period: 1 Boatswain to a Navy bottom shipped and filled with a C member; 6 Able Seaman berths shipped and filled with 2 As, 3 Bs, 1 C seniority member, and 1 D registrant. Also shipped 17 standbys dispatched and filled with 5 As and 12 B members.

Registration stands at: 9 A cards for a total of 19; 13 B cards for a total of 36; and 4 C cards for a total of 17.

Ships checked

Matson vessels *Manoa* and *Maui*—made twice. The MFU delegate in the *Maui* brought forward concerns with contractual feeding practices with the relief steward. The captain stated he would investigate immediately and act as necessary. We alerted Matson Labor Relations and MFU/SUP Headquarters, as the next port of call is Oakland.

President Polk called in New York and will head in to the shipyard in Singapore for thirty days. The *President Jackson* is due to come out of the yard in a couple of weeks. With the C-10's all calling in the shipyard this year, it has slowed the Northwest's traditional "summer good shipping season".

I represented the SUP/MFU in the following meetings: the King County Labor Council meetings and the Central Waterfront Stakeholders meeting.

Vince O'Halloran
Branch Agent

Wilmington

May 16, 2011

Shipped a total of 83 jobs—the breakdown is a follows: 4 Bosuns- 1 steady, 2 reliefs, 1 return; 2 AB/Daymen- 1 steady, 1 relief; 14 AB/Watch-10 steady, 2 reliefs, 2 returns; and 63 standbys.

Registration: Class A members-37, Class B members-25 and Class C members-14.

Ships checked

Manulani, Maunawili, Mokihana, Mahimahi, Manukai, Lihue, Philippines, Korea, Thailand, China, Singapore — a few problems on the *Lihue* but resolved.

Attended and represented the SUP at the following meetings: American Merchant Marine Veterans Memorial Committee; Maritime Trades Port Council; LA/LB Labor Day Parade Committee; and the LA County Federation of Labor.

A record crowd attended National Maritime Day at the American Merchant Marine Memorial in San Pedro. In attendance for the SUP were Tom Larkin, Dearl Scarboro, Jimmy Alacorn, Tony Montoya, Daniel TinTun, Montolvo, Eli Wegger, Ken Delaney (Sinbad), Captain Joe Itson, Gary Gelfgren, Berry Fisher, and myself. Tom Larkin entertained us at the luncheon by reading a couple of his famous poems.

Wish to thank Brother Bob Burns for an excellent job relieving me while on vacation.

Vern Johansen, Branch Agent

Honolulu

May 16, 2011

Shipped the following jobs during the month of April: 1 Bosun relief, 1 AB Day return, 1 AB Watch steady, 2 AB Watch reliefs, 3 AB Maint steady and 1 OS steady. The regular jobs were filled by 3 A cards, 5 B cards, and 1 C card.

Also shipped 30 standby jobs this month. The standby jobs were filled by 1 A card, 5 B cards, and 5 C cards, and 19 D cards.

Registered during the month of April: 8 A cards, 4 B cards, 1 C card and 3 D cards. To date total registered: 13 A cards, 5 B cards, 6 C cards, and 11 D cards.

Ships checked

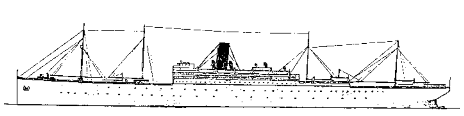
Manukai, Maunawili, Maui, Mokihana, Manoa, Maunalei, Mahimahi, Manulani, Lihue and the Paint and Rigging gang. All (except the *Lihue*) running with few or no beefs.

On a positive note, the delegate on the *Manoa* reported that the chairs in the crew mess hall had been reupholstered and new swivels for each chair had been installed. I checked them out and it was nice to sit in a mess hall chair and not wobble around or feel like I was sitting on a steel plate. Also, new mattresses were received by crew members that requested them. I would like to thank the deck delegate (Duke Maringer), the captain, the chief mate and our Union contract for getting this done without requiring an act of Congress. Mahalo Duke.

During the month I represented the SUP at the Hawai'i Ports Council monthly meeting, which includes the Hawai'i Ocean Safety Team (HOST) meeting report.

I regret to inform the membership that Brother Joselito Torre has passed away.

Michael Dirksen, Branch Agent



Dispatcher's Report

Headquarters—May 2011

Deck	
Bosun	5
Carpenter	0
MM	3
AB	4
OS	4
Standby	11
Total Deck Jobs Shipped	27
Total Deck B, C, D Shipped	7
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.	27
Total B, C, D Shipped-All Depts.	7
Total Registered "A"	33
Total Registered "B"	22
Total Registered "C"	18
Total Registered "D"	34

Foreigners jailed over ransom smuggling

Six foreigners have reportedly been jailed for 10-15 years in Somalia for smuggling in money to pay ransoms for hijacked ships.

The six, three Britons, two Kenyans and an American, were arrested last month after their plane landed at Mogadishu airport, the UK's *Guardian* newspaper reported. They were carrying $3.6 million in cash that was destined to be used as a ransom payment, an official told the AFP news agency, which reported that the six were detained while waiting for another plane to arrive and take the cash to another destination.

In addition to the jail terms, the foreigners were fined $10,000-15,000 each. The judge in the case said the group will be allowed to appeal, and "if they ask to pay more instead of prison, then we shall see and take our decision," *Sky News* reported.

Airport security workers vote AFGE as their Union

Even as the right to join a union is under attack across the country, more than 40,000 Transportation Security Administration (TSA) employees in 450 airports on June 23, made a strong statement for workers' rights by electing the American Federation of Government Employees (AFGE) as their exclusive Union representative. The 8,903-8,447 vote came in a runoff with the National Treasury Employees Union, a non-AFL-CIO Union.

AFGE President John Gage said: "We are obviously thrilled with the election results, but more importantly are delighted that the transportation security officers (TSOs) now will have the full union representation they rightly deserve. AFGE thanks the TSOs for their support and faith in our Union."

In April, 85% of the TSOs who voted chose to join a union. AFGE led the voting in that election but did not garner an outright majority.

AFL-CIO President Richard Trumka said in a statement: "Today's victory affirms the deep-seated desire of working people across the country for a voice on the job and a seat at the table in solving workplace problems when given a free choice."

Although the TSOs did not have collective bargaining rights until now, more than 12,000 TSO members had joined 40 AFGE local unions across the country. It took 10 years before the TSOs finally gained the right to bargain. The Obama administration restored the TSO's legal right to bargain collectively after President George W. Bush took it away.

The TSA workforce has proven itself time and time again to be dedicated to the mission of the Department of Homeland Security, and one that cares about the work it does, Gage said. He added that AFGE has long argued that "only a professional and highly motivated workforce can provide the security this country needs."

Sailors

To all the men who came before
Out of our Union doors
There were Reds and Whiteys
Jims and Johns, Bills and Joes
Barrys and Sams, Jakes and Bobs
A few called Blackie and a Boopsie too.
There were many more, too many
to name
Since I started in the sailing game.

There were Fins and Skis, Russians
and Danes,
Norwegians, some Irish, Italians
and Jews,
Japanese, Chinese, Filipino and Greeks.
This is part of the mixture that made
us unique, why we fit in, all of the fleets.

One hundred and twenty-six years
we have fought the fight
to do sailors work
and to do it right.
To all men and women in the SUP
whatever your name, we are all family.
We are brothers and sisters of the sea
and of a Union called the SUP.

Tom Larkin, Book #4065