



NOL-APL in takeover discussions with CMA CGM and Maersk

France's CMA CGM and Denmark's AP Moeller-Maersk are engaged in separate talks to acquire Singapore-based container group Neptune Orient Lines (NOL). NOL, the parent company of APL, has confirmed that it is in preliminary discussions with CMA CGM and Maersk regarding a potential acquisition of NOL by either of the two ocean carriers. The announcement, made on November 7 at the Singapore Stock Exchange, affirmed previous reports that NOL was for sale.

In addition to the two carriers named recently by NOL, several other shipping lines had previously been linked to a potential takeover of the company. These included Hapag-Lloyd, OOCL, PIL and UASC.

The past few months have seen many reports regarding potential mergers between some of the world's largest ocean freight carriers at a time when the industry is suffering from an over-capacity of TEU space and a lack of profitable freight. NOL was initially put up for sale by the Singapore state investment fund, Temasek Holdings, in July. Temasek currently holds 65 percent of the company, but NOL is heavily indebted and has been steadily losing money, recently reporting a net loss of \$96 million in the third quarter of 2015. If either CMA CGM or Maersk manages to acquire NOL, that combined company would have a significantly increased presence in the trans-Pacific trade route and would be a major competitor in the region.

Significant obstacles to an eventual sale of NOL remain. These are mainly

related to the difficulty of reaching an agreement on the firm's valuation. Although NOL's share price soared by six percent in early trading following the announcement, it closed flat on November 9 and continued to trade at a discount, reflecting the market's skepticism that a sale can be successfully concluded.

The attractiveness of APL's business has diminished significantly as it has been chronically unprofitable since 2009. In recent years, NOL was forced to sell various assets to boost liquidity, including its corporate head office building in Singapore for \$310 million in 2012 and its logistics arm, APL Logistics, for \$1.2 billion in 2015. Various cost saving initiatives that were undertaken by APL have been insufficient to drag NOL out of the red, with latest third quarter results still showing a deficit with a net loss of \$96 million. Steadily losing market share in recent years, APL has seen its global capacity share fall to only 2.8 percent, compared to 4.2 percent in 2010.

On October 30, NOL reported a third quarter 2015 net loss of \$96 million, compared to a net loss of \$23 million in the third quarter 2014. NOL posted a third quarter 2015 Core EBIT loss (Earnings Before Interest, Taxes and Non-Recurring Items) of \$66 million, versus a Core EBIT of \$21 million in the same quarter last year. NOL's Core EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) in the third quarter 2015 was \$21 million, compared to \$114 million in the same period last year. NOL's cost

savings program yielded \$80 million in the third quarter 2015, bringing its total year-to-date cost savings to \$335 million.

In the third quarter 2015, APL reported a revenue decline of 29 percent to \$1.2 billion versus the same quarter last year. APL's average freight rates fell 21 percent amidst pressure from over-capacity in the industry. Volume contracted 11 percent, which APL attributed to various reasons, including a significant drop in U.S. exports and weak demand in the Intra-Asia short-

sea market. APL also voided sailings in response to weak global demand and trimmed capacity in unprofitable trade lanes. APL was able to maintain a high head-haul utilization of above 90 percent.

APL maintained its rigorous cost management as well as a yield-focused trade strategy that emphasizes network rationalization and better cargo selection. Six chartered ships were returned in the third quarter. As a result, total cost of sales per forty-foot-equivalent unit fell by 17 percent year-on-year.

DOT announces TIGER grants for California ports

Deputy Maritime Administrator Michael J. Rodriguez recently announced that the Department of Transportation will provide \$12.3 million for the Port of Hueneme Intermodal Improvement project in Port Hueneme, California. The project is one of 39 federally-funded transportation projects in 34 states selected to receive a total of \$500 million under the Department's Transportation Investment Generating Economic Recovery (TIGER) 2015 program. U.S. Transportation Secretary Anthony Foxx announced project selections for this seventh round of TIGER grants on October 29.

The Department received 627 eligible applications from 50 states and several U.S. territories, including numerous Tribal governments, collectively requesting 20 times the \$500 million available for the program, or \$10.1 billion for needed transportation projects.

As the only commercial deep-water port between Los Angeles and San Francisco, the Port of Hueneme is a vital intermodal facility that continues to boost the region's economic activity with more than \$8 billion in cargo moved annually and more than \$1 billion in economic impact—all while reducing shipping costs and the port's environmental impact. The \$24.4 million Port of Hueneme Intermodal Improvement Project will modernize the

port's cargo-handling infrastructure, strengthen one wharf and deepen two of the port's berths allowing vessels with drafts of 36 feet to serve the port. The innovative project will also use solar panels for electric power as part of the modernization of the warehouses and other support infrastructure. These critical infrastructure improvements will help increase the efficiency of the port, apply green technologies, facilitate additional investment by private industry, and generate local jobs.

The Department of Transportation will also provide \$10 million for the Tenth Avenue Marine Terminal Modernization project in San Diego. The TIGER funds will support modernization and enhancement projects at the Port of San Diego to increase cargo capacity, safety and improve operational efficiency. The demolition of outdated, obsolete covered warehouses along the Tenth Avenue terminal will provide additional space for shippers and improve ease of operations and safety for the movement of oversized cargo within the port. This project will also expand shoreside infrastructure and rail lines to allow for non-stop access at cargo transfer points. The funding demonstrates the Obama Administration's commitment to increasing and improving the movement of freight, while reducing costs and increasing economic competitiveness.

First port-of-call for newest research ship is San Francisco

California welcomed the most recent addition to the nation's academic research fleet, the *Neil Armstrong*, as it made its first port-of-call in San Francisco. The 238-foot, state-of-the-art ship travelled down the West Coast to San Francisco from Anacortes, Washington, where it was built.

The *Neil Armstrong*, named for the renowned astronaut and test pilot, and the first man to set foot on the moon, is owned by the U.S. Navy and operated by the Woods Hole Oceanographic Institution (WHOI), an independent, non-profit research and education organization based on Cape Cod in Massachusetts. The ship will be used by ocean scientists from around the world, carrying on its namesake's legacy of exploration, and enabling the next generation of oceanographic science and discovery.

The *Neil Armstrong* docked at Pier 30/32 on San Francisco's Embarcadero on November 7. The vessel hosted tours by Congressional staff, staff from the Navy's Office of Naval Research, as well as other supporters of ocean sciences. On November 10, the ship continued its transit to the East Coast. It will travel through the Panama Canal and arrive in the Southeast U.S. in December at a port and shipyard to be determined.

One of only seven large research vessels in the U.S. academic research fleet,

the unique vessel will be equipped to support advanced mapping, sampling and exploration of the global ocean in a range of conditions and with diverse mission requirements. It is capable of operating in any ocean, except ice-covered seas. It accommodates 24 scientists and 20 crewmembers on scientific missions lasting up to 40 days.

The ship was ordered by the Navy in May 2010 and built at the Dakota Creek shipyard in Anacortes. It was launched in February 2014 and christened on March 29, 2014, by Carol Armstrong, Neil Armstrong's widow. It passed sea trials on August 7, 2015, and was delivered to the Navy on September 23, 2015. The *RV Neil Armstrong* was officially turned over to WHOI that same day.

After completing a shipyard period in late 2015 and 2016, the ship will begin a series of cruises to assess and verify its scientific capabilities. In the spring of 2016, it will begin active duty with cruises to support retrieval and deployment of instruments that are part of the Ocean Observatories Initiative, an NSF-funded effort to monitor conditions in the ocean and atmosphere in real-time at locations around the globe, and to conduct physical oceanographic studies of regions of the North Atlantic that are critical to Earth's climate system.

Halls to Close — Holiday Schedule

All MFOW hiring halls will be closed on the following dates, which are contract holidays:

Thanksgiving Day — Thursday, November 26

Christmas Day — Friday, December 25

New Year's Day — Friday, January 1, 2016

Christmas Eve and New Year's Eve — The MFOW halls in San Francisco, Wilmington and Seattle will also close on **Christmas Eve (Thursday, December 24)** and on **New Year's Eve (Thursday, December 31)**, which are ILWU holidays on the West Coast and therefore recognized MFOW holidays aboard APL and Matson vessels in Pacific Coast ports.

Christmas Eve and New Year's Eve are not holidays at sea and are not ILWU holidays in Hawaii; however, the MFOW Honolulu hall will close at noon on those days.

For members working under the MFOW Maintenance Agreements, these holidays shall be observed in accordance with local custom and practice.

Members are reminded that no shipping cards will be stamped at the regular business meetings immediately preceding and following the holidays.

The Marine Fireman

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Port of Long Beach has best October in eight years

The docks continued to be busy at the Port of Long Beach in October as cargo volume rose 6.3 percent compared to the same month last year, making for the best October in eight years. The gains also come on the heels of the top quarter in the port's 104-year history.

Strong export growth of 6.5 percent in October buoyed the port's overall numbers as shippers turned to the Port of Long Beach for reliable service. A slight decline in imports indicated that retailers of clothing, electronics and other consumer goods apparently stocked up early for the rap-

idly approaching shopping season that starts with Black Friday – the day after Thanksgiving.

A total of 619,983 TEU (twenty-foot equivalent units) moved through the port in October. Imports were down 0.8 percent to 307,995 TEU. Exports increased to 128,308 TEU. Empty containers continued to rise, climbing 20.8 percent to 183,681 TEU. Empties are sent back overseas to be refilled with goods.

The National Retail Federation has forecast that retail sales in November and December would increase 3.7 percent from last year. Through the first 10

months of 2015, Long Beach cargo was up 5.4 percent overall compared to the same period last year. Volume is reaching pre-recession levels of trade and demonstrating the ability of Long Beach industry stakeholders to handle high amounts of cargo.

With an ongoing \$4 billion program to modernize its facilities, the Port of Long Beach continues to build the *Port of the Future*, by investing in capital and service improvements that will bring long-term, environmentally sustainable growth.

Port of Vancouver, B.C. expanding to retain and grab more U.S.-bound cargo

A \$217 million expansion of its intermodal yard will allow the largest container terminal at Port Metro Vancouver to maintain a speedy transfer of cargo between the docks and intermodal trains, even when larger vessels discharging more containers begin calling the facility in the next few years. Maintaining the roughly two-day dwell time even when the size of the typical ship calling GCT Deltaport increases from 9,000 20-foot-equivalent units (TEU) to 14,000 TEU is important because U.S. shippers are increasingly moving cargo through the terminal. The terminal risks losing U.S.-bound cargo to the likes of Seattle and Tacoma if it cannot provide fast and reliable transits to the U.S. Midwest.

The project highlights the global importance of landside investments to handle larger vessels without sacrificing speed-to-market times and terminal productivity. From India to Europe, terminals are looking beyond the docks and to inland connections stretching to the hinterlands for ways to mitigate the cargo surges produced by increasingly larger vessels.

U.S.-bound cargo moved via rail through Deltaport grew 35 percent annually between 2009 and 2014, and continued growth is expected. U.S. shippers are

increasingly turning to routing through Vancouver and the Port of Prince Rupert to diversify their supply chains after the West Coast congestion debacle in late 2014 and early 2015. Not having to pay the U.S. Harbor Maintenance Tax — a 0.0125 percent duty on the value of imports moving through U.S. ports — adds to the draw of Canadian ports, but competitive rail service to Chicago and beyond is the main driver.

Those advantages have helped Vancouver and Prince Rupert increase their shares of cargo volume in the Pacific Northwest region between 2011 and 2014. Vancouver's share increased to 48 percent from 44 percent, while Prince Rupert's share rose from 7 percent to 10 percent. In the same period, the Seattle-Tacoma share dropped to 42 percent from 48 percent.

The volume growth at Deltaport, some of which is tied to the Canadian domestic market, has helped push container traffic at Vancouver up 5.7 percent to 2.3 million TEU in the first nine months of the year compared to the same period in 2014. Traffic at Canada's largest container port increased 3.1 percent in 2014 to a record 2.9 million TEU.

To handle the growth, Port Metro Vancouver is moving forward on a

planned 2.4 million TEU terminal at Roberts Bank. In the meantime, existing terminals, such as Deltaport, are working to wring out inefficiencies and build capacity from within. The rail expansion at Deltaport will increase the terminal's total annual capacity from 1.8 million TEU to 2.4 million TEU. Improved intermodal rail fluidity is aimed at handling the roughly 10,000 container moves generated by the larger vessels. About 7,000 container moves are generated by the 9,000 TEU vessels calling Deltaport. The expanded yard, set to be completed in the second half of 2017, will allow Canadian Pacific and Canadian National railways to increase the number of daily double-stack intermodal services serving Deltaport from four to six.

Canadian National and Canadian Pacific railways have spent aggressively on the lines connecting Port Metro Vancouver to inland Canada and the U.S. hinterland. Some of CP's planned investment for \$1.1 billion this year is going toward its Western Corridor. CN has worked to increase fluidity on its western network by increasing capacity on its Edmonton-Winnipeg route in northern Ontario, and on its Winnipeg-Chicago-Memphis network. To further support Asia-North America trade, CN in recent years has opened new intermodal terminals in Calgary; Joliet, near Chicago; and Chippewa Falls, Wisconsin, near Minneapolis/St. Paul. CP provides four-day service from Vancouver to Chicago. CN offers 100-hour transit times from Deltaport to Chicago, and 130 hours to Memphis.

The announcement of the expansion project came days after the Port of New York and New Jersey's board signed off on an agreement allowing construction to proceed on a ship-to-rail facility adjacent to the semi-automated GCT Bayonne terminal. The project is the last piece of the port authority's \$600 million effort to provide all terminals direct access to rail. But far more investment is needed in the U.S. and globally. One in three U.S. ports needs at least \$100 million for rail and road connections to handle freight growth over the next decade, according to a study released in April.

Idle containership fleet passes one million TEU

The fleet of idle container ships above 500 twenty-foot-equivalent units (TEU) has risen to over one million TEU for the first time since 2010 and is set to increase through the slack winter season. An additional 35 ships of 109,000 TEU joined the unemployment queue in the past two weeks, pushing the jobless total to 278 vessels of 1.04 million TEU, which is equivalent to 5.3 percent of the global fleet, according to Alphaliner.

Apart from a slight decline in the number of idled 1,000 to 2,000 TEU vessels, the number of jobless ships increased across all sizes. The steepest increases were in the 3,000 to 5,100 TEU range with 58 vessels currently without

work compared to fewer than 10 in June. The idle fleet is expected to increase in the coming weeks, with the effects of seasonal service withdrawals and void sailings for the slack winter season continuing to weigh heavily on vessel demand.

Alphaliner does not expect any reversal in the idle figures before next spring when service relaunches will provide some relief to ship owners. Increased vessel scrapping could, however, have a positive effect, especially for ships in the 3,000 to 5,000 TEU range. Meanwhile the container charter market is falling to "rock bottom" levels due to a growing oversupply of spot tonnage and receding demand, Alphaliner said.

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Military Sealift Command Notice

What All Hands Need To Do To Protect Against Cyber Threats

By George D. Bieber, NAVIDFOR Public Affairs Specialist

Cyber threats come from a variety of sources including nation states, profit-motivated criminals, ideologically motivated hackers, extremists and terrorists. When you log on to a Navy network or system, you're in the cyber battlespace.

If there are weaknesses in the Navy's defenses, its networks and computers can be compromised by intruders with relatively limited resources. Cyber adversaries only have to be successful once to do significant damage; we cannot afford to make any mistakes.

Follow these best practices to keep Navy networks and systems secure:

Don't Take the Bait — Always verify source of emails and the links in emails. If you're directed to a site for an online deal that looks too good to be true, it probably is fraudulent. Phishing or fishing is a form of email spoofing. By clicking on a link in what appears to be a legitimate email or taking the bait, you may be directed to a fraudulent website that installs bad software on your computer or captures data you enter on the website. Opening an infected email attachment can also install bad software on your computer.

Spear-phishing is a form of phishing that targets a specific organization. Spear-phishing emails appear to be from an individual or business you know. Spear-phishing attempts are not typically initiated by "random hackers" but are more likely to be conducted by those seeking financial gain, trade secrets or military information. Signs that an email may be a spear-phishing attempt include:

- Sender's name, organization and/or company not matching the email address or digital signature;
- Words such as official, mandatory, urgent, etc.;
- Link text may not match associated URL;
- Unsolicited requests for personal information;
- Poor grammar and multiple misspellings.

When in Doubt, Throw it Out — Don't open suspicious links in emails, tweets, posts, messages or attachments, even if you know the source.

Don't Connect Unauthorized Devices to Navy Networks — Don't connect unauthorized devices, such as thumb drives and cell phones, to your computer. Unauthorized devices may contain software that can allow an intruder inside the Navy's network.

Remove Your Common Access Card (CAC) — Remove your CAC or lock your computer when you're not using it. Don't make it easy for someone to access data on your computer by leaving it unlocked when you're away.

Use A Better Password — Don't use easily guessed or weak passwords, and safeguard them so they can't be stolen. Password best practices include:

- Use different passwords for every account.
- Make passwords a minimum of 8 characters long and include at least one number, one capital letter, one lower case letter and one special character.

- Select the first letter of each word in an easily remembered phrase for the letters in your password. For example, stand Navy down the field, sails set to the sky becomes sNdtfsstts.
- Don't use names or words that can be found in any dictionary (including foreign languages).
- Don't use keyboard patterns.
- Routinely change passwords on all accounts.
- Do not change passwords in a serial fashion (e. g. password2015 replaced with password2016).
- If you save your passwords to a file, password protect and/or encrypt the file.
- Don't write down your passwords or keep them in your wallet/purse.
- Don't allow your browser to store your passwords.

Safeguard Your Personally Identifiable Information (PII) — Cyber adversaries can use information they've obtained about you to appear legitimate so they can trick you into surrendering data they need to breach our networks and systems.

To protect your PII, be savvy about providing information online and use good security practices when using social media sites. Choose security questions that have answers not discoverable on the internet — e.g. do not choose the street you grew up on, your mother's maiden name, etc. — and don't conduct work-related business on your personal account. Facebook, Twitter, LinkedIn and other social media platforms are invaluable tools, but they can introduce security hazards. Personal profile information on these sites may be used by hackers for social engineering or phishing purposes. Also, be extra vigilant about friending bogus Facebook accounts, which can allow hackers to harvest sensitive user photos, phone numbers and email addresses for social engineering attacks.

Don't Use P2P Programs — Don't use peer-to-peer (P2P) file sharing programs. These programs can spread bad software inside the Navy's network defenses.

Stay on Known, Good Websites — Use websites that are business related or known to not pose a hazard.

Don't Use Systems in Unauthorized Ways — The Navy has established policies to protect itself from compromise. Don't put others at risk by using systems in ways that aren't authorized.

Complacency about cybersecurity makes the Navy vulnerable to compromises that could significantly affect operations. Your commitment to these cybersecurity best practices will protect the Navy's operational capabilities and contribute to our cyber fight.

Think cybersecurity before you act.

Navy Information Dominance Forces (NAVIDFOR) is the Navy's global readiness-focused TYCOM responsible for providing Navy Information Dominance capabilities afloat and ashore. It provides commanders ashore and afloat, forward deployable, combat-ready information dominance forces capable of conducting prompt and sustained naval, joint and combined operations in support of U.S. national interests.

Implementation of Afloat Wireless Policy

November 3, 2015

Maritime Union Leaders,

As you will recall from both our latest Union Presidents meetings and the National Defense Transportation Association symposium, cybersecurity continues to increase in relevance and focus throughout DoD and the business world. You may hear from some of your respective union members about some new initiatives in the Cyber domain, and I thought it best to share with you where we currently stand on a key issue.

As you know, the use and availability of wireless technology has exploded in recent years and can be found in cellular phones, computers, IPODs/IPADS, televisions, watches, cameras, game controllers, coffee pots, and even light switches. In short, wireless technology has become an indispensable part of our daily routine.

This sea change has not gone unnoticed by our adversaries who see the proliferation of wireless technology as a lucrative opportunity to track our ships and collect intelligence on our operations. The use of wireless devices on ships poses an increased risk of possible detection and tracking and facilitates the monitoring and exploration of critical information by potential adversaries and criminal elements. Additionally, intentional or unintended emissions by MSC ships supporting afloat operations could inadvertently jeopardize Carrier Strike Group Emission Control (EMCON) postures, degrading Operational Security (OPSEC) and compromising tactical operations.

Based on these factors, the Department of the Navy determined a comprehensive policy outlining conditions for use of government and personal wireless devices aboard ships was needed, while at the same time our immediate commander, United States Fleet Forces Command, provided additional policy guidance. I want to emphasize up front: the new policy does not ban personal wireless devices aboard Navy or MSC ships. Under normal circumstances, most personnel and government wireless devices can still be used while underway. However, under certain operational circumstances and EMCON conditions, the use of both government and personal wireless devices will be restricted. The new policy is consistent with existing EMCON policies and places additional controls on the use of wireless technologies in specific operational scenarios. These additional controls are classified and will be shared separately in the appropriate classified forum.

This new wireless policy applies to all embarked personnel regardless of affiliation (military, civil servant, and contract support) and pertains to cellular devices, WIFI devices, and Bluetooth devices. Effective immediately, U.S. Fleet Forces Command directed all ships, embarked units, and staffs (to include MSC) incorporate increased

risk assessment and management of cellular, WIFI, and Bluetooth wireless devices into EMCON planning and execution. Commanding Officers and Ship Masters shall establish and enforce procedures controlling wireless use afloat that are risk and threat dependent. Additionally, Commanding Officer's/Ship Master's shall apply discretion in situations where securing wireless emissions may pose a risk to safety. These procedures shall include appropriate indoctrination and training for assigned crew and all embarked personnel regarding the shipboard wireless policy.

The risk of cyber-attacks is real and increasing. We will continue to assess the risks associated with operating wireless devices aboard MSC ships in order to maximize the operational effectiveness of our fleet. We are available to answer any questions or concerns you may have regarding this policy. I propose to discuss this subject further with you at our next Union Presidents meeting. I will send a similar note to the Presidents of various Ship Operating Companies that operate MSC vessels. I know you understand that much of many discussions on the subject of Cyber are classified. I have shared what I can in this unclassified e-mail.

Regards,

TK Shannon
RADM USN
Commander, Military Sealift Command

Your Right to Union Representation

"If this discussion could in any way lead to my being disciplined or terminated, or affect my personal working conditions, I respectfully request that my union representative, officer, or steward be present at the meeting. Without union representation, I choose not to answer questions."

This is your right under the
1975 U.S. Supreme Court Weingarten Decision.

MFOW PRESIDENT'S REPORT



By ANTHONY POPLAWSKI

October was a busy month at Headquarters.

I spent much of my time working on grievances submitted by members, with mixed results. There were also a handful of offshore and standby terminations. I believe that most of these problems aboard ships and at shore facilities could have been avoided with frequent and honest communications between management and labor.

A recurring problem involves Standby Electrician/Reefers, dispatched to Matson vessels, eager to leave the vessel as it gets close to sailing. When a registrant is dispatched to a Standby Electrician/Reefer job, he or she should expect to remain aboard the vessel and assist the ship's crew in cargo operations, up to and including manifest verification. The Standby Electrician/Reefer should be one of the last people to leave the vessel, just prior to sailing, and should receive final knock-off from the Chief Engineer, not the Refrigerating Engineer or Electrician.

APL Marine Services — The Marine Firemen's Union (MFOW) rank-and-file membership ratified the September 30, 2015, agreement reached between the SIU Pacific District — comprised of the MFOW in the unlicensed engine department, Sailors' Union of the Pacific (SUP) in the unlicensed deck department, and SIU-AGLIW in the steward department — and APL Marine Services (APLMS). This was a unanimous vote, in favor of the three-year agreement, taken at the Headquarters meeting on October 5, the Wilmington and Honolulu Branch meetings on October 13, and the Seattle-Port Serviced meeting on October 22.

On October 19, SUP President Gunnar Lundeberg advised that the SUP membership had ratified the agreement at meetings held on October 13 and October 19. On October 26, SIU-AGLIW West Coast Vice President Nick Marrone advised that the SIU-AGLIW had also completed the process in favor of ratification. Company representatives and officials of the Unions have been working toward completion of formal documents covering the agreement and our plan at Headquarters is to have the new agreement books printed up before the New Year.

On October 28, the MFOW was notified that the licensed deck officers' union — the International Organization of Masters, Mates and Pilots (IOMM&P) — had concluded their reopener negotiations with APLMS and came to tentative agreement. As of that date, the Marine Engineers' Beneficial Association (MEBA) was still in talks with the company.

On October 30, the Union received reports from the fleet that the *MV APL Cyprine* would be reflagged to Singapore flag on December 3, 2015. This notification followed a previous announcement by APL that it would begin a U.S.-flag service from Yokohama to Saipan and Guam by the end of November, with a 1,078 TEU geared vessel to be named *MVAPL Guam*. Press reports indicate that, if the service succeeds, APL plans to put a second ship — most likely to be named the *MV APL Northern Marianas* — on the trade route.

Many developments on this topic took place immediately after the MFOW Headquarters meeting on November 2. I will provide full detail of these developments at the December Headquarters meeting.

Government Vessels — On October 15, I participated in the Military Sealift Command (MSC) Executive Session and Union Presidents' Meeting held at the IOMM&P facilities in Linthicum Heights, Maryland. After opening remarks from IOMM&P President Don Marcus and MSC Commander Rear Admiral T.K. Shannon (USN), presentations were given on the topics of safety cross-functional teams, mariner recruitment and retention, and cyber security. This was followed by a round table discussion between MSC, commercial ship operators and the seagoing unions. Several topics were discussed including MSC physical examinations, problems with overseas medical facilities, training costs and the MSC request-for-proposal bid and award process.

The *USNS 1st Lt. Harry L. Martin* — homeported in Jacksonville, Florida — was turned over by Patriot Contract Services (PCS) to Crowley Maritime Corporation's government services group on October 5. The ship was previously operated by PCS and crewed by the MFOW in the unlicensed engine department since 2010.

There has been no word on the status of the U.S. Maritime Administration's ship management services award for up to 48 National Defense Reserve Fleet and Ready Reserve Force vessels. The SIU Pacific District Unions worked with Matson Navigation Company and PCS to deliver ship management bids for the various ship groups.

Other Matters — At the annual Board of Trustees meeting on April 1, 2015, a recommendation was made that MFOW officials and Headquarters custodian receive a pay increase based on the average pay increase per billet under the commercial fleet and shore maintenance contracts. MFOW officials have been working under a wage freeze since October 1, 2013. The average master contract increase amounts to 1.525 percent. At the November Headquarters meeting, I recommended that a 1.5 percent increase for officials and Headquarters custodian be effective the first pay period of 2016. This was approved by the membership.

Big investments in Great Lakes shipping

Over the past five years, private companies and governments in the Great Lakes region have committed \$7 billion to build new ships, improve port infrastructure and update locks and breakwaters along the Great Lakes-St. Lawrence Seaway, according to an industry survey released this year by the Chamber of Marine Commerce in Ottawa. Made in response to an aging fleet, more stringent environmental regulations, and an increasingly global economy, the investment is shaping the course of Great Lakes shipping for the next 30 to 40 years. At the same time, advancements in technology are providing ship captains and navigators with an increasingly accurate view of shipping channels, allowing them to navigate the Great Lakes and St. Lawrence River system with more precision. In combination, the developments mean more cargo can be moved with less fuel, fewer emissions, and in shallower water.

It is the largest infusion of money into Great Lakes shipping since the construction of the modern St. Lawrence Seaway in the 1950s. The Seaway project cost a total of \$470 million, equivalent to about \$4.6 billion today. Most of it was financed by Canada. Together with the Welland Canal that circumnavigates Niagara Falls, and the Soo Locks that enable passage between Lake Superior and Lake Huron, the navigation system allows ships to travel 2,300 miles from Duluth, Minnesota, to the Atlantic Ocean at Sept-Îles, Quebec. Every year, vessels transiting the system carry about 164 million metric tons of cargo, including bulk shipments of iron ore, road salt, corn and wheat, and specialized products like wine, furniture, and clothing from all over the world.

The vast majority of the money being spent is in funding new ships. For years, the industry in Canada was hamstrung

by a 25 percent import duty on ships purchased abroad. When that was lifted in 2010, companies began investing heavily in their fleets. The St. Catharines, Ontario-based Algoma Central Corporation, the largest ship owner and operator on the Great Lakes, has announced nine new ships since 2009. Three are already operating on the lakes, while the others are expected to be in service by 2018. The company's new *Equinox*-class ships are generally larger than their old carriers, with most reaching 740 feet in length and 78 feet in beam, the maximum dimensions for a ship to fit through the St. Lawrence Seaway. They have integrated exhaust scrubber systems that remove 97 percent of sulfur oxide and 75 percent of particulate matter emissions, resulting in an overall 40 percent reduction in air emissions compared to the older ships. In addition, larger propellers turned by slower engines, as well as smoother hull coatings, improve the ships' fuel efficiency.

Even as ships traveling the Great Lakes and St. Lawrence River get bigger, new technology is allowing them to carry more through the shallowest parts of the Seaway. In 2012, Canadian and U.S.-flagged ships began using a tool called the Draft Information System (DIS), which gives captains and pilots a precise view of the surrounding channel and allows them to navigate more safely. The more cargo a ship carries, the lower it sits in the water. The distance a ship's hull extends below the water's surface is called its draft; and when a ship travels faster, its draft increases. When it travels slower, its draft decreases. That means that a large ship carrying lots of cargo needs to slow down to cross through shallow areas. But without a good idea of where shallow areas are located in relation to the ship or how the ship's draft

changes at different speeds, navigators must carry less to give themselves a wider margin of error.

In the St. Lawrence Seaway, most ships are required to travel with a draft of 26 feet and 6 inches or less. DIS, however, provides navigators with detailed, color-coded hydrographic maps of the Seaway that track the ship's location and speed and show which areas to avoid and which areas are safe. As a result, ships equipped with DIS can travel with a maximum draft of 26 feet and 9 inches — a difference that allows the biggest ships on the Seaway to carry an extra 400 metric tons of cargo.

Even in the rare cases when water levels drop to the point where Seaway managers have to reduce the permissible draft, ships with DIS will be able to travel with three inches more of draft than those without it. Currently 30 ships in the domestic fleet have the technology.

Ports along the Seaway are also investing in facility improvements and benefiting from technological advances. The Port of Montreal is now using a system that allows it to inspect the river and underwater portions of its facilities, such as berth walls, in two days. The process took years in the past. In 2014, it spent \$20.5 million upgrading and expanding its container handling areas and ship berths and announced a \$59 million project to restore a historic pier and passenger terminal for cruise ships.

The port's business is growing. A record 30.4 million metric tons of cargo passed through its facilities in 2014, as well as more than 71,000 cruise passengers. One of its biggest challenges is visibility in an increasingly global market shaped by shifting economic centers. In 2000, nearly 80 percent of the port's overseas trade was with northern Europe. By 2013, Europe's share dropped to 44 percent.

Hong Kong outlines congestion master plan

The Hong Kong government has committed to a number of measures aimed at enhancing the use of back-up land at the Kwai Tsing terminals in an attempt to alleviate port congestion at the Port of Hong Kong. A statement from the Hong Kong Transport and Housing Bureau read, "In recent years, the problem of congestion is becoming increasingly serious. Container users and port terminal operators are concerned that the operational efficiency of Kwai Tsing Container Terminals is being adversely affected. Given that Kwai Tsing handles 80 percent of all containerized cargo in Hong Kong, there is concern that the overall competitiveness of

Hong Kong Port is at stake."

Measures Hong Kong intends to undertake include an increase yard capacity at Kwai Tsing by four percent and additional barge berths to meet ongoing growth in river-borne trade.

The Port of Hong Kong, the world's fourth largest port, has endured a difficult time in recent months as container volumes dropped in 15 consecutive months. Congestion is seen as the primary factor for the drop in volumes. The downturn at Hong Kong and the improving figures at Busan Port, the world's fifth largest port, could see the two jostling for the title of the fourth largest port in the world.

VICE PRESIDENT'S REPORT

I visited the Seattle-Port Serviced on October 22 to hold a special membership meeting regarding the new contract with APL Marine Services (APLMS). The three-year agreement was ratified by unanimous vote. Here is a vessel rundown for October:

APLMS — The following vessels each called for two Standby Wipers: *MV APL Thailand*, *MV APL Singapore*, *MV APL Philippines*, *MV APL Cyprine*, *MV APL China* and *MV APL Belgium*. We dispatched an Electrician/Reefer/Junior to the *APL Thailand*. The *APL Philippines* also called for a Day Junior/Utility (DJU). A Reefer/Electrician/Junior (REJ) was shipped from Seattle. The DJU on the *APL Cyprine* reshipped because the relief Day Jr. had his mariner documents stolen! The ship is scheduled to reflag around December 3. The Wiper on the *APL China* missed the vessel; no replacement dispatched. The REJ on the *APL Belgium* was terminated and his

replacement was flown to San Pedro on October 31. As noted in the President's report, APL Maritime will begin a Yokohama-Saipan-Guam service route in the coming weeks.

Matson — The *SS Lihue* and the *MV Manoa* called Oakland twice. The *SS Kauai* and *SS Maui* each called three times. All vessels are utilizing Standby Electrician/Reefers and Bunker Rovers. The *SS Matsonia* has been laid up since August 18 at Howard Terminal; the vessel called for three Standby Wipers on November 2 to clean up machinery spaces.

I attended the regular meetings of the San Francisco Bay Area Port Maritime Council, Maritime Trades Department, AFL-CIO and the Alameda Central Labor Council, AFL-CIO.

Respectfully,
"Cajun" Callais
Vice President



MFOW Vice President "Cajun" Callais held a special meeting at the port serviced in Seattle on October 22.

BUSINESS AGENT'S REPORT

In October, we dispatched the following jobs to Patriot Contract Services-operated vessels: *USNS Watson* — one Wiper (180 days) awaiting flyout to Newport News, Virginia. *MT SLNC Pax* — two Oilers awaiting flyout to the Saipan area. *USNS Soderman* — one Oiler who is awaiting flyout to Korea. *USNS Dahl* — one Oiler flew out to Saipan on September 30.

The MFOW received word from PCS that a crew was needed for the reduced

operating status LMSR vessels *USNS Gordon* and *USNS Gilliland*, due to an emergency sortie brought on by Hurricane Joaquin. In less than 48 hours, all but three crew members were aboard the vessels, before being told to deactivate. A total of eight Oilers were sent to Baltimore. Thanks to the rank-and-file and all MFOW hiring halls for stepping up.

Fraternally,
Bobby Baca
San Francisco Business Agent

Algal bloom delays Dungeness crab season

California's Dungeness crab fishing season has been delayed due to high levels of a dangerous neurotoxin, and scientists believe increasingly warm water in the Pacific Ocean is to blame. A large algal bloom has made the crab living off the coast unsafe for consumption, as the algae release a toxin into the water that could possibly affect other seafood while they work their way up the food chain. The fishing season has therefore been delayed until the bloom dissipates, putting a \$60 million commercial and recreational fishing industry on hold.

The bloom is created by an organism called *Pseudo-nitzschia*, which accumulates on the surface of the coastal waters. Algae blooms thrive in the warm summer waters; because climate change has increased temperatures in the Pacific Ocean, the bloom has been able to survive longer. One-third of all blooms produce potentially harmful toxins, which build up in the flesh of marine life. This particular neurotoxin is called domoic acid. Although the bloom stops producing the toxin after the peak bloom season, sediment gets left behind where it continues to be consumed by all kinds of bottom feeders, like crustaceans and shrimp. The warmer temperatures also force fish to seek out colder waters for survival, which leaves sea lions — normally living on the coast — without their main food source.

The warm water's domino effect is largely unpredictable to scientists, but as

the toxins have worked their way up the food chain, the consequences have become more apparent. In early September, for example, the Marine Mammal Center rescued 180 sea lions, 75 percent of which were suffering from the effects of the neurotoxin.

Ingesting the domoic acid can lead to severe illness in humans and other animals. Becoming sick from the neurotoxin, called "domoic acid poisoning" has been responsible for several deaths, permanent illnesses and toxic symptoms. Some of these symptoms include loss of short term memory, seizures, lethargy, disorientation, vomiting and diarrhea.

Sick and dying seabirds typically indicate the presence of such a neurotoxin in the water because they consume the crabs and other crustaceans. With sickness and danger lurking in the water, fishermen must remain wary as they're responsible for keeping crabs out of the mouths of consumers.

The crab season was supposed to begin on November 15; however, it will remain delayed until the crabs have been tested and proven safe for consumption, according to the California Department of Fish and Wildlife. Scientists will determine safety by testing individual crab flesh for the dangerous toxins. The season will begin again when they've determined enough crabs contain levels of the toxin low enough for human consumption.

FOC vessel to operate on Australian cabotage route

The International Transport Workers' Federation (ITF), which represents 4.7 million transport workers worldwide, has objected strongly to the scrapping of the 36,634 deadweight ton freighter *MV Portland* and the dismissal of her crew of forty. The ship trades exclusively between the states of Western Australia and Victoria transporting alumina for the owners, U.S.-headquartered Alcoa, the third largest aluminum producer in the world.

According to the ITF, the crew had been told they are to be dismissed yet the trade will continue, maintaining the route with a flag-of-convenience ship crewed with overseas workers. The union says Alcoa is trying to exploit local laws and circumvent workers' rights, and that the company was attempting

to whittle down wages to boost what it calls 'already healthy profits'.

Australia does not have a law in place similar to the U.S. Merchant Marine Act of 1920 (the Jones Act). However, ITF president and Maritime Union of Australia national secretary Paddy Crumlin pointed out that even so, Alcoa's product had been moved around the Australian coast for more than 50 years on Australian ships with Australian crews.

"Alcoa has profited off the back of Australian workers for many decades and is now using a loophole in Australia's Coastal Trading Act to undermine cabotage. It's a contemptible act by the company that the loyal, hard-working seafarers are being scrapped in order to save a couple of bucks," said Crumlin.

Postal workers union endorses Bernie Sanders

Democratic presidential hopeful Senator Bernie Sanders recently won an endorsement from the 200,000-member union representing postal workers, his largest union endorsement yet. The American Postal Workers Union (APWU), which represents U.S. Postal Service employees and retirees, said Sanders' long-time dedication to unions' ideals won members over.

Sanders' views and priorities typically align more closely with those of unions, and he has remained one of unions' closest allies in Congress. However, Clinton remains far ahead in securing official support from organized labor.

The APWU claims that "...Sanders stands above all others as a true champion of postal workers and other workers throughout the country" and pointed to Sanders' efforts to keep open post offices and mail-sorting plants in rural communities, fight against postal privatization and oppose slower deliv-

ery standards. Sanders also supports the \$15 minimum wage, free public college tuition and veterans' benefits, and has a record of fighting to defend and expand Social Security, promoting 'Medicare for all,' and opposing fast track trade authority and the Trans Pacific Partnership.

As of November 12, front-runner Hillary Clinton led Sanders 52 percent to 33 percent. The APWU endorsement is likely to give Sanders a boost in the polls. Clinton has already garnered endorsements from the American Federation of Teachers, the National Education Association and the American Federation of State, County and Municipal Employees.

Sanders' first national union endorsement came in August from National Nurses United, which represents about 185,000 members. The AFL-CIO is expected to wait until the primary is finished before endorsing a candidate.

Third year without piracy attacks off Somalia coast

A lull in piracy attacks off the coast of Somalia has stretched into a third year, bringing relief to consumers and ship owners previously hit by high cost due to the menace. Military incursions on and off the shore of Somalia have helped end piracy attacks on key shipping routes around the Gulf of Aden, new data showed even as maritime experts called for caution. The International Maritime Bureau (IMB) said no piracy attack has been reported on the key routes this year. An IBM spokesman however urged vessels to maintain vigilance, noting the "increasingly fragile" situation ashore Somalia, with the threat of piracy not "eliminated".

The current lull solidifies a trend since May 2012 when the last successful hijacking took place, raising hope for more reliable shipping services and lower cost of goods leaving and entering the East African market. Piracy off the coast of Somalia has in the past few years cost the global shipping industry billions of shillings in ransom payouts to secure captured vessels, cargo and crew. The menace has also led to increased operational costs due to higher insurance premiums and use of longer alternative

routes round the Cape not forgetting hiring of special security personnel to escort vessels through the Gulf of Aden and other measures such as watchtowers and razor wire. Prices of basic industrial and household items have also risen sharply after shipping lines passed on the additional costs to consumers down the supply chain.

A deployment of naval forces around the Gulf of Aden has helped reduce piracy attacks in the past two years. International navies have stepped up preemptive action against pirates, including strikes on their bases.

But even as piracy off the shore of Somalia seems contained, authorities in other hotspots around the world registered mixed trends. In Southeast Asia, a piracy crackdown appears to be bearing fruit, with only two hijackings reported in the third quarter of 2015. Indonesian and Malaysian authorities have also arrested, and in some cases prosecuted, members of product tanker hijacking gangs, notably those behind the *Sun Birdie* and *Orkim Harmony* attacks. The two hijackings were among 47 incidents the IMB piracy reporting center recorded globally.

MFU Training Plan Summary Annual Report

This is a summary of the annual report of the MFU Training Plan, EIN 94-3058922, Plan 575, for December 31, 2014. 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 the MFU Training Plan has committed itself to pay apprenticeship and training claims incurred under the terms of the Plan.

Basic Financial Statement

The value of Plan assets, after subtracting liabilities of the Plan, was \$323,843 as of December 31, 2014, compared to \$193,587 as of January 1, 2014. During the Plan year, the Plan experienced an increase in its net assets of \$130,256. This increase includes unrealized appreciation or depreciation in the value of plan assets; that is, the difference between the value of the Plan's assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year. During the Plan year, the Plan had total income of \$478,683, including employer contributions of \$478,657, and earnings from investments of \$26.

Plan expenses were \$348,427. These expenses included \$33,037 in administrative expenses and \$315,390 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 MFU Training Plan at 240 Second Street, San Francisco, CA 94105, telephone (415) 362-4592. The charge to cover copying costs will be \$1.75 for the full annual report or \$0.25 per page for any part thereof.

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

You also have the legally protected right to examine the annual report at the main office of the Plan at 240 Second Street, San Francisco, California 94105, 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, DC 20210.

MARINE FIREMEN'S UNION TRAINING PROGRAM 2015

Interested members who meet the Training Program eligibility requirements and prerequisites outlined for each course may obtain an application online at mfow.org or at Headquarters and branch offices. All applications must be accompanied by a copy of the member's Merchant Mariner Credential, including current endorsements and RFPEW certification.

Eligible participants are MFOW members who:

- (1) Have maintained A, B or C seniority classification.
- (2) Are current with their dues.
- (3) Are eligible for medical coverage through covered employment.
- (4) Have a current Q-card (annual physical) issued by the Seafarers' Medical Center and are fit for duty.

Non-seniority applicants:

- (1) Non-seniority applicants may be selected for required government vessels training as required to fulfill manning obligations under the various MFOW government vessel contracts.
- (2) Selectees under this provision must meet all other requirements for seagoing employment and shall have demonstrated satisfactory work habits through casual employment.

TRAINING RESOURCES, LTD. (TRL)

Courses are conducted at Training Resources, Ltd. in San Diego, California, contingent on enrollment levels. Tuition, lodging and transportation are pre-arranged by the MFU Training Plan.

Military Sealift Command Training

This four-day course includes the following segments: Shipboard Damage Control; Environmental Programs; Chemical, Biological & Radiological Defense orientation; Helo Firefighting; Anti-Terrorism (one-year validation). These segments are required for employment aboard various MSC contract-operated ships.

December 14-17, 2015

Endorsement Upgrading

QMED-Fireman/Watertender & Oiler

Any applicant who successfully completes this 159-hour Qualified Member of the Engine Department (QMED) course will satisfy the requirements of 46 CFR 12.15-7 (b)(2) and receive credit for 90 days of the sea service needed for a QMED Oiler and Fireman/Watertender endorsement, provided they also present evidence of at least 90 days engine room service; and if presented WITHIN ONE YEAR of the completion of training, satisfy the requirements of 46 CFR 12.15-9 for the General Safety, Fireman/Watertender, and Oiler examination modules, provided that all other requirements of 46 CFR subpart 12.15, including sea service, are also met. **Additional prerequisites:** Coast Guard approval letter for endorsement upgrading, which certifies sea time of six months (180 days) as a Wiper and completion of Rating Forming Part of an Engineering Watch assessments.

January 4-29, 2016

February 8-March 4, 2016

QMED-Electrician/Refrigerating Engineer

The QMED Electrician and QMED Refrigerating Engineer have been combined into the new QMED Electrician/Refrigerating Engineer endorsement. This six-week (240 hour) course will satisfy the training and examination requirements of 46 CFR 12.15-9 for the General Safety and Electrician modules, provided that all other requirements, including sea service, are also met. **Prerequisites:** Minimum of one year of sea time with the Marine Firemen's Union PLUS the Junior Engineer endorsement and RFPEW.

January 4-February 12, 2016

February 15-March 25, 2016

STCW-Basic Training Refresher

This three-day Refresher course consists of the 4 modules required for the STCW endorsement in Basic Training: Personal Safety and Social Responsibility, Basic Firefighting, Personal Survival, Basic First Aid/CPR/AED. Mariners successfully completing this course will satisfy the requirements of 46 CFR 11-202(b) for the minimum standard of competence for Basic Safety Training, *provided they have been previously certified per Section VI/1of the STCW Code.*

TRL, San Diego, CA:

December 1-3; December 15-17; January 19-21, 2016

Compass, Edmonds, WA:

December 15-17; January 19-21, 2016

Marine Firemen's Union Training Plan Notice to All Participants

The Marine Firemen's Union Training Plan reimburses tuition costs (not lodging, subsistence or transportation) for certain types of training taken by a participant on his own.

However, preapproval of the training must be given by the Marine Firemen's Union Training Plan prior to taking the course.

Any request for reimbursement without preapproval from the Marine Firemen's Union Training Plan will be denied.

Active MFOW members

Retain your Welfare Fund eligibility.

MAIL or TURN IN all your Unfit for Duty slips to:

MFOW Welfare Fund,

240 Second Street, San Francisco, CA 94105

U.S. Navy sliding back into Subic under new rules

After closure of the U.S. Naval Base in Subic Bay, Philippines over two decades ago, American military personnel are being welcomed back as a vanguard against an increasingly pushy China. The U.S. Navy began using the base in Subic Bay last year to deliver materiel and personnel for annual joint military exercises. Some 6,000 U.S. personnel went to Subic last spring and are set to return for exercises in 2016 in agreement with Philippine authorities. U.S. ships are using Subic Bay as a resupply port during routine calls.

This month, President Barack Obama is scheduled to visit the capital, Manila, as part of a regional economic cooperation event, and he and President Benigno Aquino III are expected to solidify military ties, including use of the 60,000-acre Subic facility that the U.S. formally left in 1992. The return of Americans follows a deal hammered out with the Philippine military last spring, which grew out of concern over China's spread into nearby waters and China's claim that over more than 80 percent of the South China Sea that extends far below the Chinese mainland.

In Olangapo, a city of 220,000, enthusiasm is strong for a U.S. return, due not only to the perceived China threat, but also because the Philippine armed forces, not the Pentagon, will govern the

old base with new rules designed to curb off duty behavior.

After World War II, Subic gained prominence as the largest U.S. naval facility in the Pacific, cherished for its deep water, sheltered spots to anchor ships, and elaborate repair infrastructure. Yet during the heyday of Subic, U.S. naval personnel gained notoriety for helping turn the area into a zone of hostess bars and prostitution that fostered local crime. Since the U.S. left in 1992, the Barrio Barretto hostess bar district has dropped from 60 to 27 clubs.

Now, the returning military must stay on approved parts of the base, which has added a shopping mall with cinemas and some 200 stores, including Starbucks, TGI Friday's, and eventually Gold's Gym. A midnight to 5 a.m. curfew will be enforced around the base.

To prevent charges of a new form of colonialism, the Subic Bay Metropolitan Authority, a local governing body, is authorizing Philippine forces to oversee the former base and its returning inhabitants in segments of 15 years.

The Philippines Islands were colonized by the U.S. from 1898 to 1946 after three centuries of Spanish rule, and continued U.S. military presence since World War II caused some resentment among the citizens. Filipinos now worry about China's aggressive stance in

the South China Sea, where Beijing has been dredging and forming man-made islands, and Chinese vessels have been fishing and exploring for fossil fuel in disputed waters off the islands of Luzon and Palawan,

In 2012, vessels from China and the Philippines engaged in a bitter standoff over the Scarborough Shoal, a mostly submerged reef chain 123 miles west of Luzon. Aquino angered China but impressed his own people a year later by asking a UN tribunal to rule on the legal basis for Beijing's claims to most of the ocean area — a case The Hague has agreed to hear.

Some opposition parties in the Philippine Senate oppose the return of U.S. forces, and the Supreme Court could take a case on the constitutionality of the U.S.-Philippines defense cooperation agreement. But in recent weeks there have been statements from the military that the terms of the enhanced deal are part of an existing treaty and not subject to a Senate vote.

October import volume down at Port of Oakland

Containerized import volume at the Port of Oakland declined last month for the first time since February. The port stated that October import totals were down 3.3 percent compared to 2014. The port attributed the decrease to lighter-than-usual peak-season activity. Autumn is usually the busy time in container shipping when retailers import goods for holiday store shelves. But ocean carriers are reporting lower demand for space on their ships.

October export volume decreased 13.7 percent. Overall container volume — which includes imports, exports and empty containers — was off 6.9 percent. Before last month, the Port of Oakland had reported seven consecutive months of import gains dating back to last winter.

Benefits paid during October

Death Benefits	
Luther Edwards, P-1688	\$750.00
Joseph Kapaona, P-2515	1,500.00
Edwin Lohmeyer, P-2262	1,500.00
	<u>\$3,750.00</u>
Burial Benefits	
None	
Excess Medical	\$7,605.26
Glasses and Examinations	\$200.00

The Marine Fireman welcomes photo submissions from members in the fleet or ashore. Please send high resolution digital images to mfow_president@yahoo.com or sserrano@mfoww.org. Include a brief description such as names and ratings of members, and name and location of ship.

HONOR ROLL

Voluntary donation to General Treasury — October 2015:
 Anthony De La Rosa, P-2753 \$25.00
 James F. Upchurch, P-2666..... \$50.00

Regular membership meeting dates 2015

Dec. 7 S.F. Headquarters
 14 Branches

Regular membership meeting dates 2016

January 4 S.F. Headquarters
 11 Branches
 February 1 S.F. Headquarters
 8 Branches
 March 7 S.F. Headquarters
 14 Branches
 April 4 S.F. Headquarters
 11 Branches
 May 2 S.F. Headquarters
 9 Branches
 June 6 S.F. Headquarters
 14* Branches
 July 5* S.F. Headquarters
 11 Branches
 August 1 S.F. Headquarters
 8 Branches
 September6* S.F. Headquarters
 12 Branches
 October 3 S.F. Headquarters
 11* Branches
 November7 S.F. Headquarters
 14 Branches
 December5 S.F. Headquarters
 12 Branches

(*Indicates Tuesday meeting following a Monday holiday)

HOWZ SHIPPING

October 2015 San Francisco

Reefer/Electrician/Jr. Engineer.....	1
Junior Engineer (Day)	2
Junior Engineer (Watch).....	2
Oiler	5
Wiper	2
Standby Wiper	22
Standby Electrician/Reefer.....	9
TOTAL	43

Wilmington

Chief Electrician.....	2
Electrician/Reefer/Jr. Engineer.....	5
Reefer/Electrician/Jr. Engineer.....	1
Junior Engineer (Day)	3
Oiler	1
Wiper	2
Standby Wiper	30
Standby Electrician/Reefer.....	16
TOTAL	60

Seattle

Chief Electrician.....	1
Reefer/Electrician/Jr. Engineer.....	1
Reefer/Electrician.....	1
Junior Engineer (Watch).....	4
Oiler	3
Standby Wiper	2
Standby Electrician/Reefer.....	2
TOTAL	14

Honolulu

Chief Electrician.....	1
Electrician/Reefer/Jr. Engineer.....	1
Junior Engineer (Day)	3
Wiper	2
Shore Mechanic.....	2
Standby Wiper	13
Standby Electrician/Reefer.....	14
TOTAL	36

Port Authority of Guam celebrates 40 years of service

The Port Authority of Guam last month celebrated 40 years of service as an autonomous agency of the Government of Guam. The port held an opening ceremony to thank all of their hard-working employees. The traditional parade of tractors kicked off the festivities followed by a ceremony recognizing port retirees as well as honoring distinguished pioneers of the agency.

Port Authority of Guam General Manager Joanne Brown said the future looks bright for the port. She stated, "We have gone through the single largest upgrade and improvement that

the Port of Guam has seen in 50 years. We've done that in the last two to three years. This December, we'll be having our formal ceremony to cap off the upgrades in DOD investment of \$50 million, over \$25 million financed by the port. It's not just the physical infrastructure and the building; it's the capability, security, technological improvements that we have. We play a very important role not just for Guam, not just for the region, but for the nation."

The Grand Finale for Port Week was held on October 23 at Port Beach in Piti.

Cuba looking to transform its maritime sector

As the prospect of an embargo free Cuba draws closer to becoming a reality, the island nation is focusing its resources on rebuilding its maritime sector to become a force in the region. Speaking at the 45th AGM Conference and Exhibition of the Caribbean Shipping Association, the chair of the Association of Caribbean States special committee on transport and of the international relations department of the Cuban ministry of transport, announced to delegates that Cuba is focused on a transformation of its port sector. It is currently pursuing an aggressive plan to rebuild and expand its shipping and port sectors, even before the U.S. embargo is lifted. He said that Cuba has started the recovery of their fleet, ports, and logistics chain and also confirmed that port developments were already underway elsewhere in Cuba, including cruise terminals and a multipurpose terminal in Santiago de Cuba.

Cuba is also working on a multi-lateral maritime transportation policy that will achieve its vision of what can

be done from their geographic position. This would complement legislative changes enacted in July 2013 when the Cuban Congress approved a new maritime navigation code to modernize the now outdated legislation.

Cuba is also focused on rebuilding its domestic fleet, which was hard hit by the past decades economic crisis. At the Damen shipyard in Santiago de Cuba, the domestic fleet is being enhanced by new builds of up to 100 meters in length, including tugboats and roll-on/roll-off vessels. The new vessels are being used in the river and coastal trades and more vessels will be built in the near future.

Obsolete infrastructure, especially lifting equipment that was not properly maintained has been a hurdle for Cuba, with the main target of the island's port development being the PSA-operated container facility in Mariel, which opened in January 2014. Mariel is being developed as an economic hub and is being promoted to investors as a special development zone offering tax breaks and other incentives.

SEATTLE NOTES

During the month of October, we shipped one Electrician/Reefer/Junior, one Reefer/Electrician/Junior, one Electrician, one Junior Engineer, two Oilers, one Wiper and three Standby Electrician/Reefers. There are currently four A-, three B-, and 14 C-seniority members registered for shipping.

The Matson vessels *MV Manoa* and *SS Maui* each called Seattle twice with little or no problems. The Patriot Contract Services-operated vessels *USNS Pomeroy*, *USNS Yano*, *USNS Shughart* and *USNS Soderman* called for MFOW and/or SUP crew replacements; and the APL Marine Services-operated vessels *MV APL Cyprine*, *MV APL Philippines* and *MVAPL Coral* all called for MFOW and/or SUP crew replacements.

The MFOW and SUP — on behalf of all Washington State mariners — joined the Port of Seattle staff on October 6 at 1200 hours and held a vigil for the lost seamen and crew of the *SS El Faro*. This vessel was formerly named the *SS*

Northern Lights and ran for many years between Tacoma and Alaska crewed by our brothers and sisters out of the Tacoma SIU Branch. The majority of the crew lost in the *SS El Faro* came out of the Jacksonville Branch of the SIU and AMO. Our Seattle membership offers our most sincere condolences to the families and friends of these mariners lost at sea.

The joint MFU and SUP Welfare Plans' holiday benefit will be held on Saturday, December 5, from 1100 to 1400 hours in the Ballard District of Seattle at the Leif Erikson Hall, 2245 N.W. 57th Street. All members' families and friends are welcome. The Seattle membership wishes our members aboard our ships, those of us ashore, and our men and women in uniform serving in harm's way a most joyous holiday season!

Respectfully,
Vince O'Halloran
Representative

Coast Guard implements new CG-719 series of forms

The following bulletin was released by the U.S. Coast Guard's National Maritime Center. Please note: Form CG-719K, Application for Merchant Mariner Medical Certificate, "signed by a physician after December 31, 2015, must be the new form version."

As of October 1, 2015, the United States Coast Guard has implemented the use of the new CG-719 series of forms (B, C, K, K/E, P, and S) that will replace the forms displaying a June 30, 2012, expiration date.

The Coast Guard will not stock the CG-719 series of forms in paper format. These forms may be obtained electronically in a PDF fillable format on the National Maritime Center (NMC) website. Additional updates to the NMC website will occur as quickly as possible to reflect the new forms.

The Coast Guard encourages providers and applicants to purge the old forms from inventory and to begin using the new forms as soon as possible. In order to avoid penalizing mariners who have already completed their forms, the NMC will continue to accept the old forms for a period of time.

With the exception of forms K and K/E, the Coast Guard will no longer accept outdated CG-719 forms after April 1, 2016. The K and K/E forms signed by a physician after December 31, 2015, must be the new form version. In accordance with 46CFR10.304 (d), the K or K/E must be submitted within 12 months of the date signed by a licensed medical professional; therefore, the Coast Guard will no longer accept outdated K or K/E forms after December 31, 2016.

Holiday Luncheons

The MFOW and SUP Welfare Plans will co-sponsor holiday luncheons at the various ports for participants of the respective Plans and invited guests. As approved by the Union and Employer Trustees of both Plans, the cost of this benefit is prorated to each Plan based on the number of participants.

Seattle

Saturday, December 5
11:00 AM – 2:00 PM
Leif Erikson Hall in Ballard - 2245 57th Street NW

Wilmington

Saturday, December 12
11:00 AM to 3:00 PM
MM&P Hall, 533 N. Marine Avenue

Honolulu

Sunday, December 13
11:00 AM to 2:00 PM
O'Tooles Banquet Room, 902 Nuuanu Avenue

San Francisco

Friday, December 18
11:30 AM to 2:30 PM
SUP Hall, 450 Harrison Street

HONOLULU NOTES

In Honolulu, there were 36 jobs dispatched in the month of October. I dispatched one Chief Electrician to the *SS Kauai* (Lloyd Kim returned to the ship) and an Electrician/Reefer/Junior to the *MV Manukai* (Richard Domanski took it). I shipped three Day Junior/Utilities (Sean Kauai — *MV Maunawili*, Wendelyn Sugui — *MV Maunalei* and Stuart Melendy — *MV Mokihana*), all hopping on. I dispatched Eric Hermano to the Advancement Program Wiper billet on the *MV Maunawili*, which was his first ship. The *MV Mokihana* called for a one-trip Wiper to do fire watch, and Kimberly Alvarez filled the billet.

I had two calls for shoreside vacation relief. Tony Lefebvre and Stuart

Melendy filled those jobs. The rest of the jobs were standby jobs: 14 Standby Electrician/Reefers and 13 Standby Wipers.

A-seniority registrants took 20 jobs, B-seniority registrants took two jobs, C-seniority registrants had 10 jobs and the applicants had four jobs. We have 30 members registered at this time: 14 A-, four B- and 12 C-seniority registrants.

Not much happened at the monthly Port Maritime Council meeting. All of the talk was about the upcoming Hawaii AFL-CIO 26th Biennial Convention happening on November 12.

Fraternally,
Mario Higa
Port Agent

WILMINGTON NOTES

No report submitted



The stars and stripes were lowered to half-mast on the San Pedro waterfront in memory of the officers and crew of the *SS El Faro*.

Have you moved recently?

Make sure your current contact information is on file with MFOW!

MFOW WELFARE FUND

240 Second Street, San Francisco, CA 94105,
(415) 986-1028/(415) 986-5720 welfare@mfofw.org

POLITICAL ACTION FUND

Voluntary donations for October 2015:

Agripino Camba, JM-5048..... \$30.00	Aaron Jones, JM-5226 \$100.00
Michael Corral, JM-5173 \$100.00	Richard Manley, #3747 \$20.00
Anthony De La Rosa, P-2753 \$25.00	Frank Portanier, SUP \$25.00
David Hooper, #3712 \$50.00	James F. Upchurch, P-2666..... \$50.00

MARINE FIREMAN SUBSCRIPTIONS, H&B AND VOLUNTARY PAF DONATIONS

Please use the following form.

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STREET _____

CITY _____ STATE _____ ZIP _____

Check box: U.S. & POSSESSIONS OVERSEAS

Yearly Subscriptions: First Class \$20.00 Air (AO) Mail \$25.00

Pensioners' Hospital & Burial \$6.00

Voluntary Political Action Fund Donation \$ _____

Please make checks payable to: MARINE FIREMEN'S UNION
Address envelope to: 240 Second Street, San Francisco, CA 94105