No. 5

AMERICAN CONSULATE

Antofagasta, Chile, February 19, 1943

Subject: Wage dispute aboard the Panamanian tanker LOIDA

The Honorable

The Secretary of State,

Washington.

Sir:

I have the honor to report on the part taken by this Consulate in the settlement of a wage dispute resulting in a strike aboard the Panamanian tanker LOIDA operated by Thomas J. Vatist and under the control of the United States War Shipping Administration, in this harbor February 17, 1943.

Vice Consul Wiley and the local United States Naval Liaison Officer, together with the Panamanian and Greek consuls, met at the instance of the local agent, with the master of the LOIDA, Captain Jonás Hagglof and the crew for the purpose of conciliation. The crew, all of whom are Greeks, had requested wages equal to those of seamen employed aboard American coastal tankers. This demand had been approved by the operators, who had cabled the master instructing him to increase the wages on the new contract which went into effect on January 11, 1943. When Captain Hagglof showed a copy of the cable to the members of the crew, all but nine accepted the new contract. Those who did not sign were: the third officer, chief engineer, first, second and third assistant engineers, and two able-bodied and two ordinary seamen, who insisted that the wages paid to seamen aboard tankers should be 20% higher than those offered by the operators in the cable. They insisted that they would sign no contract until some word was sent to the operators requesting the increase. The nine seamen after full discussion were offered two alternatives: to return to the United States upon completion of this voyage and be returned to Ellis Island, or to accept the new wages as set forth in the contract. All nine of the men then

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indicated their desire to return to Ellis Island. When asked why they had made such a choice, these seamen in a private interview with Vice Consul Wiley and the Naval Liaison Officer stated that the wages were satisfactory but that they were reluctant to continue working under Captain Hagglof. They alleged that he had threatened some of them with a revolver and that he had been drinking very heavily on the voyage and that on many occasions while under the influence of alcohol he had been unnecessarily belligerent with his men. There were also other minor complaints. The men finally agreed to sign the articles and continue the trip if the master was removed. Vice Consul Wiley replied that it would be impossible to remove the master, but that a complete report on his activities with a recommendation for his removal would be cabled to Washington by the Naval Liaison Officer. The Naval Office here has apparently on other occasions had trouble with this master and has heard reports to the effect that he had previously destroyed and had discussed routing orders with local agents. The Naval Liaison Officer at Talara, Perú, may have also reported on this man. The nine men were finally induced to go ahead with their work and to complete the voyage with the master on the proposed wages.

Vice Consul Wiley, who did a good piece of work on this arbitration board, believes that the nine Greek seamen had cause to complain and that their demands were probably justifiable.

Respectfully yours,

Lee R. Blohm,
American Consul

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(Original and two copies to the Department)
(Copy to Embassy, Santiago)