## THIRTEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES

First Regular Session

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S E N A T E s. no. \_385 **}** 

Introduced by Senator S. R. Osmeña III

## **EXPLANATORY NOTE**

The Philippines plays a major role in the world's maritime trade and commerce. There are some 216,031 Filipino seafarers working on board international vessels for the year 2003.

The maritime industry remains one of the pillars of our country's economy. Filipino seafarers account for \$1.3 billion of remittances from overseas Filipino workers in 2003. From January to February of this year \$212 million have been remitted by seafarers to our nation's coffers.

A National Seamen Board was created in 1974 to develop and maintain a comprehensive program for Filipino seafarers employed overseas. However, the Board was abolished in 1982 with the creation of the Philippine Overseas Employment Administration. While many commend the POEA for its efforts in protecting the rights and promoting the welfare of the Filipino overseas workers, Filipino seafarers consistently clamor for a more practical and lesser documentary requirements for overseas employment.

This bill seeks the creation of a National Seafarers Commission which will handle all practical details of employment promotion, deployment, training and management of the Filipino seafarers.

SERGIO OSMEÑA III Senator

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## **AN ACT**

CREATING A NATIONAL SEAFARERS COMMISSION, PRESCRIBING ITS POWERS AND FUNCTIONS AND APPROPRIATING FUNDS THEREFORE, AND FOR OTHER PURPOSES

Be it enacted by the Senate and the House of Representatives of the Philippine in Congress assembled:

- SECTION 1. Title. This Act shall be known as the "National Seafarers

  Commission Act of 2004."
- SEC. 2. Declaration of Policy. It is hereby declared the policy of the State to free the people from poverty through the policies that provide social services, and promote full and equal employment for all.
  - Pursuant to the foregoing state of policy, the Philippines, through this Act shall institutionalize and redirect existing government efforts in effecting meaningful programs on the development, training, certification and welfare systems of local and overseas seafarers integrated under one agency.
- SEC. 3. Creation of the National Seafarers Commission. There is hereby created a National Seafarers Commission, hereinafter referred to as the Commission, which shall be organized within sixty (60) days from the date of the approved of this Act.
- The Commission shall be under the direct supervision of the Office of the President.

SEC. 4. Objectives. – The Commission shall have the following objectives:

- (a) To develop, organize, maintain and operate and integrated and streamlined maritime manpower development system that shall undertake the education, training, certification and qualification of Filipino seafarers in accordance with the International Convention of Standards of Training, Certification and Watchkeeping for Seafarers, 1978 as amended and other International Maritime Organization (IMO) regulations, directed towards safer ships and cleaner oceans;
  - (b) To establish and maintain a centralized government agency that shall attend to the needs of Filipino seafarers, providing them the necessary services, supervision, regulation and guidance in the pursuit of their career without saddling them with unnecessary bureaucratic and documentary requirements; and
  - (c) To upgrade the knowledge and skills of Filipino seafarers in modern ship technologies so as to meet increasing demand of domestic and foreign shipping companies for competent seafarers.
- SEC. 5. The Governing Board and Its Composition. The Commission shall have a tripartite governing board hereinafter referred to as the Board composed of the Chairman, and four (4) Commissioners. They shall be appointed by the President of the Republic of the Philippines upon recommendation of the manning sector for a term of three (3) years.
- SEC. 6. Powers and Functions of Board. The Board shall be the highest policy body making of the Commission. It shall exercise overall administrative supervision over the Commission to insure the efficient implementation of policies and program. The Board shall have the following functions:

- 1 (a) Formulate policies in the education, training and certification of seafarers for local and overseas deployment; 2 Regulate private sector participation in the recruitment and 3 (b) placement of domestic and overseas seafarers through effective 4 licensing, regulation and monitoring system; 5 Maintain a proactive system of monitoring and addressing welfare 6 (c) concern of the seafarers and their families; 7 Promote the marketability and competitive edge of Filipino seafarers; 8 (d) Secure the best terms and conditions of employment of Filipino 9 (e) seafarers and ensure compliance therewith; and 10 Establish bilateral and/or multilateral arrangement with various 11 (f) flagstate hiring Filipino seafarers on issues affecting their 12 employment opportunities, welfare and development. 13 SEC. 7. Executive Offices of the Commission. - The Commission shall 14 be headed by the Chairman, who shall also act as Chief Executive Officer, to be 15 assisted by the Assistant Chairman. The Assistant Chairman must be a career 16 17 official who has proven his tract record and versatility in the seafaring sector. The Commission shall be composed of the Manpower Development Office, the 18 Licensing, Accreditation and Placement Office, the Welfare Office, the Research, 19 Standard and Marketing Development Office, and the Administrative Office, all of 20 21 which shall be headed by career officials. 22 SEC. 8. Functions of Executive Offices. - For proper coordination and effective implementation of the purpose and objectives of the Commission, each 23 24 executive office shall perform the following functions: (a) The Manpower Development Office. The Manpower Development 25
  - Office shall implement policies and guidelines toward promotion of skills and professional competence of seafarers, and in furtherance thereof, the official shall:

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(1) Develop and establish education and training standards of Filipino 1 2 seafarers; (2) In coordination with concerned government agencies, accredit, 3 regulate and supervise maritime schools and training centers; 4 (3) Close down maritime schools and training centers or cancel the 5 permit to conduct maritime programs on grounds of sub-standard 6 operation and/or major system nonconformity/ies; 7 (4) Issue Seafarers Identity Document in accordance with International 8 Labor Organization (ILO) Convention No. 108; 9 (5) Establish and maintain a centralized registry of competent and 10 certificated seafarers for domestic and overseas trade; 11 (6) Conduct examination and issue of certificates of competency and 12 endorsement to marine officers in accordance with the STCW 13 Convention as amended; and 14 (7) Perform such other functions as may be directed by the Chairman. 15 The Licensing Accreditation and Placement Office. The Licensing, 16 Accreditation and Placement Office shall undertake a systematic 17 program of implementing the Commission's policies of promoting, 18 regulating and monitoring the employment of seafarers as well as the 19 operation of private manning agencies. Pursuant thereto, the office 20 shall: 21 (1) Establish, operate and maintain a licensing and accreditation system 22 to regulate the recruitment and the placement of seafarers in 23 24 accordance with pertinent ILO conventions; (2) Process the application for licenses or authority to operate private 25 26 manning agencies and shall supervise and regulate the operations of

the said agencies;

(3) Prepare and implement an inspection program for effective supervision and evaluation of the activities of private manning or shipping agencies;

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- (4) Process all shipboard contracts and/or shipping articles, and secure the best possible terms and conditions of employment of seafarers;
- (5) Hear cases involving violation of rules and regulations on the recruitment and placement, violations of the condition of licenses or authority including complaints for suspension and cancellation or revocation thereof; and recommend to the Chairman appropriate actions as deemed necessary; and
- (6) Perform such other functions as may be directed by the Chairman.
- (c) The Welfare Office. The Welfare Office shall undertake measures towards industrial peace and provide the necessary services to enhance the well-being of seafarers. In this regard it shall perform the following functions:
- (1) Establish and maintain speedy and efficient conciliation machinery.
  The resolution of which shall be made in every case within thirty (30) days from submission thereof;
- (2) Develop an effective system of monitoring and gathering welfare concerns through a pool of dedicated personnel for purposes of determining future welfare programs, monitoring existing welfare activities and addressing current welfare issues prioritized according to their urgency;
- (3) Conduct pre-departure orientation seminars or briefing to departing seafarers' scheduled employment. It shall also undertake studies and development materials for use in pre-departure orientation seminar of seafarers and other related activities:

- . . (4) Accredited, regulate and supervise pre-departure orientation seminars 1 or briefing of authorized manning or shipping industries; 2 (5) Formulate and undertake programs and projects for the effective and 3 efficient utilization of seafarers' welfare funds; 4 (6) Provide services to assist the seafarers and their immediate 5 dependents and families; and 6 (7) Perform such other duties as may be directed by the Chairman. 7 (d) The Researcher, Standard and Marketing Development Office. - The 8 Research, Standard and Marketing Development Office shall 9 formulate, develop and implement a comprehensive maritime 10 manpower export development strategy and market promotion 11 geared towards enhancement of seafarers' employment opportunities' 12 in domestic and overseas markets. In furtherance thereto, it shall 13 perform the following functions: 14 (1) Conduct researchers, studies and statistics on the trend and other 15 date on both domestic and overseas shipping and manning industries 16 for use as materials in policy formulation, market promotion/strategies 17 18 and manpower development programs; (2) Provide support services and materials for the reproduction and 19 20 publication of all printed materials of the Commission; (3) Develop, establish and maintain a public information system and such 21 facilities that would educate and orient seafarers regarding the 22 23 Commission's policies; and
  - (4) Perform such other information as may be directed by the Chairman.

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(e) The Administrative Office. – The Administrative Office shall be responsible for providing the Commission with services relating to personnel information, records, supplies equipment collection and disbursements, security and custodial works. It shall provide the

1	Commission with staff, advice and assistance on budgetary, financia
2	and management matters.

SEC. 9. Staffing Pattern. – The organizational framework and staffing pattern of the Commission shall be prescribed and approved by the Executive Secretary within sixty (60) days after the approval of this Act.

With regard to appointments to the positions in the approved staffing pattern, optimum consideration shall be made conforming to the objective of setting up and maintaining in the Commission the highest standards of integrity, efficiency and competence.

In addition to other form of incentives that may be granted by the Board, all personnel of the Commission shall be accorded to government employees.

SEC. 10. Transitory Provisions. – The Maritime Training Council and all offices, departments, branches, divisions or sections of the Commission on Higher Education, Philippine Overseas Employment Administration, the Maritime Industry Authority, the Overseas Workers Welfare Administration, the Bureau of Local Employment, the Technical Education and Skills Development Authority, the National Telecommunications Commission, the Philippine Coast Guard and the Boards of Marine Deck and Engineer Officers of the Professional Regulation Commission and other government agencies, and instrumentalities performing any of the functions provided for under this Act are thereby transferred with their personnel, records, files, supplies, vehicles, equipment, furniture, funds and other properties to the National Seafarers Commission.

For purpose of effecting a smooth, orderly and expeditious organizational and functional transition period, the following shall, among others govern such undertakings:

(a) The Commission shall coordinate with agencies and instrumentalities mentioned in this Section in order to minimize disruption of the usual services being rendered to public clientele;

(b) Officials and employees of all agencies concerned are not deprived of reemployment to the Commission nor shall be reduced of their ranks or diminution of their salaries, unless a contrary existing law so provides; and

- (c) That employees affected by the creation of the Commission shall be given preference for appointment in the Commission on the basis of merit and fitness: *Provided*, That those who may be laid off for cause or by option of voluntary phase out, shall be given gratuity equivalent to one (1) month's salary for every year of service, in addition to all benefits to which they are entitled under existing rules and regulations.
- SEC. 11. Penal Provisions. Any person, association, corporation or entity who violate any provisions of this Act, or the rules and regulations made thereof shall upon conviction, be punished of fined according to the degree of offenses as the court or adjudicating administration may impose in accordance with existing civil or penal laws of the Philippines: *Provided*, That in case the violation is committed by an association, corporation or entity, the penalty that may be prescribed shall be imposed on the responsible officers, directors, and/or owners of the said entities: and *Provided*, *finally*, that nothing in this Act shall prevent the National Seafarers Commission from instituting administrative penalties for violation of any regulation that it may promulgate.
- SEC. 12. Appropriations. The amount necessary for the implementation of this Act shall be taken from the funds of all offices, departments, branches, divisions or sections of the government agencies mentioned under Section 10 of this Act and other agencies and instrumentalities performing any of the functions and operation and maintenance of the Commission shall be included in the annual General Appropriations Act.

- 1 SEC. 13. Repealing Clause. Republic Act No. 8544 and Presidential
- 2 Decree No. 97, Republic Act No. 7722, Presidential Decree Nos. 474 and 223,
- 3 Republic Act No. 5173 and Presidential Decree No. 601, Executive Order Nos.
- 4 396, 546, 797, 125, 125-A and 126, and Letter of Instruction No. 538 and 1404
- 5 and all laws, ordinances, rules, regulations, and other issuances or parts thereof
- 6 which are inconsistent with this Act, are hereby modified, amended or repealed
- 7 accordingly.
- 8 SEC. 14. Separability Clause. If for any reason any section or provision
- 9 of this Act is declared unconstitutional or invalid the other sections or provisions
- thereof, shall not be affected thereby.
- 11 SEC. 15. Effectivity. This Act shall take effect upon its complete
- 12 publication in at least two (2) national newspapers of general circulation.
- 13 Approved,