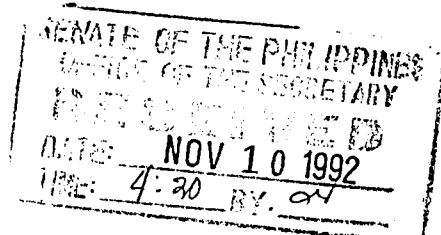


120  
7th Congress of the Philippines)  
First Regular Session )

SENATE  
S.B. NO. 917



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Introduced by Senator Maceda

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#### EXPLANATORY NOTE

The Philippines is a maritime country and a major supplier of seafarers in the world shipping industry despite the lack of visible government agencies caused by too much bureaucracy in the affairs of both domestic and overseas seafarers. The desirous Filipino seafarers have no alternative but to yield and succumb to this less rational kind of manpower development employment.

The lack of a single agency in our government to supervise, regulate and attend to the needs of all Filipino seafarers has caused the failure in their plight of seeking for themselves the security of tenure of employment, promotion of their welfare and protection, employment promotion and the upgrading and development of their professional attitude to service on board domestic trade vessels, and even often times caused the recurrence of sea accidents due to utter government neglect of our domestic seafarers manning inter-island ships and fishing boats; and in contrast while our overseas seafarers manning foreign flag vessels are enjoying the much needed government support and supervision, they are however encountering difficulty in dealing with too many government agencies. No less than seven (7) bureau level agencies and offices have independent regulatory functions and procedures to follow from the time he prepares for the job as to the time he avails of welfare services, to wit: the Department of Education, Culture and Sports (DECS); The Philippine Coast Guard (PCG); and the Professional Regulation Commission (PRC); the Maritime Training Council (MTC); the Maritime Industry Authority (MIA); and finally, the Philippine Overseas Employment Administration (POEA). Hence, they are saddled with regulations and burdened with documentations imposed by too much bureaucracy.

In view of the foregoing situations and in the light of the administration's effort of trimming down its national budget, it is therefore imperative for the government to institute reforms in the bureaucracy by integrating the functions into one government agency thereby centralizing the supervision and regulations of both domestic and overseas seafarers under the proposed National Seamen Administration to be attached to the Department of Labor and Employment.

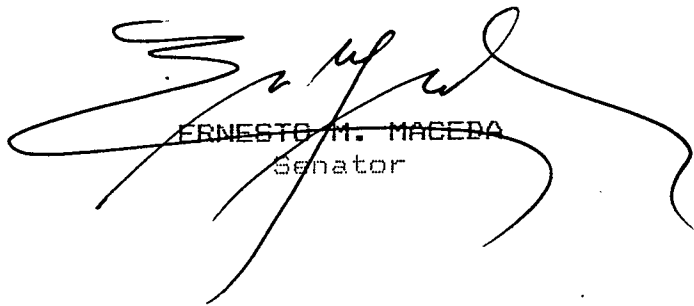
The creation of the National Seaman Administration is envisioned to institutionalize the government's effort of implementing the state policy on labor into a more comprehensive, rationalized and effective but centralized supervision and regulation of manpower development, employment promotion and the protection and welfare services

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to all domestic and overseas seafarers integrated as one agency under the concept of one stop-shop which would promote efficiency and effectiveness in the delivery of public services - an essential component to national development and economic recovery.

This bill is an accompanying bill of H.B. No. 27527 now pending consideration in the House of Representatives

Hence, consideration and approval of this bill is highly desired.



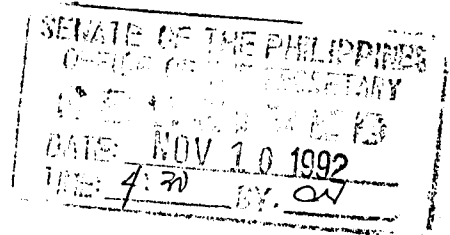
ERNESTO M. MACEDA  
Senator

LEL/chat

9th Congress of the Philippines)  
First Congress )

SENATE

S. B. No. 917



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Introduced by Senator Maceda

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AN ACT

CREATING A NATIONAL SEAMEN ADMINISTRATION PRESCRIBING ITS POWERS AND FUNCTIONS, AND APPROPRIATING FUNDS THEREFOR

*Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled.*

SECTION 1. General Purpose and State Policy. - The Philippines through this Act shall consolidate and institutionalize the existing government efforts of translating the declared policy of the state on labor into a meaningful programs of employment promotion, manpower development and utilization, and welfare and adjudication services to both domestic and overseas seafarers integrated in one agency under the concept of one-stop-shop which would promote efficiency and effectiveness in the delivery of public services.

SECTION 2. Creation and General Objectives. - Pursuant to the foregoing state policy on Labor, and to carry out its programs effectively, there is hereby created a National Seamen Administration which shall be organized within sixty (60) days from the date of approval of this Act, and shall have the following general objectives:

- (a) To establish and maintain a centralized government agency that would attend to the entire needs of Filipino seafarers and fishermen providing them the necessary services, supervision,

regulation and guidance in the pursuit of their profession prior, during and after their employment on board domestic as well as overseas trade and fishing vessels;

(b) To develop, organize, maintain and operate an integrated maritime manpower development system that would undertake the training, certification and/or licensing and qualification of Filipino seafarers in accordance with TMO STCW - 78 and ILO Conventions, governing pre-employment qualification requirements and documentation for both domestic and overseas manning and fishing industries.

(c) To upgrade the knowledge and skill of Filipino seafers in modern ships technologies so as to meet the increasing demand of domestic and foreign shipping and fishing companies for a competent and trained seafarers;

(d) To promote skill training of Filipino seafers in safety of life and property at sea in order to minimize if not totally eradicate sea disaster which are attributed to human factors;

(e) To organize, maintain and operate a public employment office for domestic as well as overseas manning or fishing industries that would enhance work opportunity for seafarers and thus promote full shipboard employment and secure for them the best term of shipboard contract;

(f) To organize, maintain and operate an exclusive adjudication and welfare office for domestic as well as overseas seafarers and fishermen that would protect their welfare under a just and humane conditions of work and wages, and promote a sound and stable manning and/or fishing industrial harmony;

(g) To establish, maintain and operate a seafarers' market promotion and information office which shall enhance employment opportunity to Filipino seafarers; and

(h) To generate and monitor foreign exchange receipt from the earnings of overseas Filipino seafarers and fishermen as a major contribution to the upliftment of our national economy.

SECTION 3. Organizational Structure. - For administrative and policy control the National Seamen Administration herein-after referred to as the Administration shall be attached to the Department of Labor and Employment, and shall be composed of the following:

(a) Governing Board: The Administration shall have a tri-partite governing board hereinafter referred to as NSA Board which shall serve as management and policy making body and shall be chaired by the Secretary of Labor and Employment or his duly authorized representative. It shall be authorized to organize a Technical Working Committee on a permanent or ad hoc basis. The rate of compensation for members of said committee and

Governing Board shall be authorized in the amount of one thousand pesos and two thousand pesos a month, respectively. The NSA Board shall be composed of the following twelve (12) members to be appointed by the President: The Secretary of Labor and Employment; the Administrator of Maritime Industry Authority, the Director of Bureau of Fisheries and Aquatic Resources; the Director of Bureau of Higher Education; the Commandant of Philippine Coast Guard; the Administrator of overseas Welfare Fund Administration; the Administrator of the National Seamen Administration as exofficio member; the President of the Chamber of Maritime Industry of the Philippines; the President of Conference of Inter-island Shipping Operators; the Chairman of Filipino Shipowners Association; the President of Associated Marine Officers and Seamen Union of the Philippines; and the President of Filipino Association for Mariners' Employment;

(b) The National Seamen Administration: This Administration shall be headed by an Administrator to be assisted by a Deputy Administrator to be assisted by a Deputy Administrator, both shall be appointed by the President upon recommendation of the Secretary of Labor and Employment. The Administration shall be composed of the following offices which shall be organized further to divisions levels:

- (1) Administrative Office:
  - (a) Personnel Division
  - (b) Financial Management Division
  - (c) Support Service Division
- (2) Manpower Development Office:
  - (a) Research and Standard Division
  - (b) Monitoring, Evaluation and Accreditation Division
  - (c) Certification and Documentation Division
  - (d) Examination and Licensing Division
  - (e) Training Division
- (3) Licensing, Accreditation and Placement Office:
  - (a) Accreditation Division
  - (b) Licensing Division
  - (c) Registration Division
  - (d) Contract Processing Division .
- (4) Welfare And Ajudication Office:
  - (a) Welfare Services Division
  - (b) Adjudication Division
  - (c) Pre-departure Orientation Seminar Division
- (5) Research, Standard and Marketing Development Division:
  - (a) Research Statistics and Standard Development
  - (b) Publication and Information Division

(c) Planning, and Marketing  
Development Division

SEC. 4. General Functions and Powers. - The Administration shall have the powers to regulate, supervise, operate and control the manpower development and hiring of Filipino seafarers by shipping and fishing companies, entities or persons on board domestic as well as overseas trade and fishing vessels. So that in order for the Administration to assert these authorities and thus carry out its assigned tasks effectively, it shall undertake the following functions:

(a) The Secretary of Labor and Employment shall exercise overall administrative supervision over the Administration to insure the efficient implemetation of policies and programs laid down by the NSA Board. He shall also appoint the officials and employees of the Administration thru the NSA Board and subsequent approval of the Civil Service Commission;

(b) The Adinistration shall be the Chief Executive Office of the Administration and in exercising its functions shall establish and maintain close functional relationship with the Bureau of Local Employment of the Department of Labor and Employment and other government and private entities concerning manpower development and employment of seafarers in relation to the needs of the industries, and shall dirrect and supervise the overall operation of the Administration. To this



end subject to supervision and control of the NSA Board, the administrator shall have the following general functions and duties:

(1) Assume full responsibility of implementing the purpose and objectives of the Administration;

(2) Execute and administer all approved policies, programs and measures, and allocate appropriate measures for their operation;

(3) Recommend to the Chairman, NSA Board, the appointment of all supervisory, technical, clerical and other personnel of the Administration;

(4) Represent the Administration in all its official transactions or dealings and to authorize with his signature legal contracts, annual reports, financial statements, correspondences and other documents;

(5) Prepare the agenda for the meeting of the NSA Board on Policies, programs and measures that would effectively enhance the operations of the Administration;

(6) Submit to the Chairman of NSA Board at the end of every calendar period an annual report on the operations of the Administration; and

(7) Performs other duties and functions as may be authorized by law or as directed by the Secretary of Labor and Employment.

(c) The Deputy Administrator shall be the assistant of the administrator in all matters pertaining to the overall operations of the Administration, hence,

in pursuance to these undertakings he shall have the following duties and responsibilities:

(1) Advise and assist the Administrator in the formulation and implementation of policies and programs of the Administration;

(2) Evaluate the effectiveness of the Administration's organizational and functional systems in the renditions of an efficient delivery of services, and if necessary, recommend appropriate measures to improve performance of cognizant offices in the Administration;

(3) Oversee and coordinate the operational activities of the Administraion, and shall be responsible to the Administrator for their economical but efficient and effective services;

(4) Shall act as chairman or head of personnel selection and promotion board, and likewise shall be responsible for the welfare, morale and discipline of personnel in the Administration;

(5) As deputy to the Administrator, he shall assume the powers, duties and responsibilities of the Administrator in case the latter is absent due to illness or other causes, and/or in case of vacancy, he shall likewise temporarily assume the position of the administrator; and

(6) Shall perform such other duties and responsibilities as may be authorized by law or as directed by his immediate superior.

Sec. 5. Special Functions of Principal Offices.

- For proper coordination and effective implementation of the purpose and objectives of the Administration, each principal subordinate offices shall perform the following functions:

(a) The Manpower Development Office shall implement policies and guidelines toward promotion of skills and professional competence of seafarers, and in furtherance thereof, the office shall:

(1) Develop and establish training standards for Filipino seafarers;

(2) In coordination with concerned government agencies, accredit, regulate and supervise maritime training centers;

(3) Conduct examination and issue Licenses or certificate of competency to Marine Offices in accordance with ILO Convention No. 53, STCW-78, and Presidential Decree No. 97 as amended;

(4) Issues Seafarers Identity document or Seaman's Service Record Book as prescribed by ILO convention No. 106 and other rules and regulations governing issuance of said document;

(5) Issue certification of proficiency and/or Endorsement of Certificates in conformity with IMO-ILO convention on STCW-78, and ILO convention Nos. 74 and 69, and other qualification requirements of the shipping industries;

(6) Establish and maintain a centralized registry of properly trained and certificated seafarers for domestic and oversea trade and fishing vessels; and

(7) Perform such other functions as may be directed by the Administrator.

(b) The Licensing, Accreditation and Placement Office shall undertake a systematic program of implementing the Administration's policies of promoting, regulating and monitoring the employment of seafarers as well as the operation of private manning agencies. Pursuant thereto, the offices shall:

(1) Establish, operate and maintain a licensing and accreditation system to regulate the recruitment and the placement of seafarers in accordance with ILO convention No. 9 and in conformity with existing Philippine Laws, rules and regulation governing employment of seafarers;

(2) Process the application for licenses or authority to operate private manning agencies; and shall supervise and regulate the operations of the said agency;

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

(4) Process all shipboards 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 administrator appropriate actions as deemed necessary.

(6) Register and issue Seamen's Registration Cards to all employable and qualified seafarers and fishermen desiring to be employed on board domestic as well as overseas trade and fishing vessels; and

(7) Perform such other functions as may be directed by the Administrator.

(c) The Welfare and Adjudication 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 a conciliation and adjudication machinery;

(2) Exercise exclusive jurisdiction over all cases involving seafarers employer-employee relationship including money claims of both parties;

(3) Hear complaint and or adjudicate cases of illegal recruitment or unauthorized and exaction of excessive employment fees;

(4) Conduct pre-departure orientation seminar or briefings to departing seafarers scheduled for employment. It shall also undertake studies and development materials for use in pre-departure orientation seminar of seafarers and other related activities;

(5) Accredite, regulate and supervise pre-departure orientation of authorized manning or shipping;

(6) Formulate and undertake programs and projects for the effective and efficient utilization of seafarers welfare funds;

(7) Provide services to assist the seafarers and their immediate dependents and families; and

(8) Perform such other duties as may be directed by the Administrator.

(d) The Research, Standard and Marketing Development Office shall formulate, develop and implement a comprehensive maritime manpower export development strategies and market promotion geared towards enhancement of seafarers and fishermen employment opportunities in domestic and overseas markets. And in furtherance thereto it shall perform the following functions:

(1) Conduct researchers, studies and statistics on the trend and other data on both domestic and overseas shipping, fishing and manning industries for use as materials is policy formulation, market promotion and manpower development programs;

(2) Based on researches and studies, formulate and develop standards for the Administration's manning offices;

(3) Provide appropriate data and statistics in the formulation of plans and programs of the Administration;

(4) Provide support services and materials for the reproduction and publication of all printed materials of the Administration;

(5) Develop, establish and maintain a public information system and facilities that would educate and orient seafarers regarding the Administration's policies, programs, and development of fishing and seafaring industries affecting their professions; and

(6) Perform such other functions as may be directed by the Administration.

Section 6. Organization and Functions of Field Offices. - Whenever necessary for the Administration to expand its operation to major seaports or outports, it shall establish such number of field offices which shall be the operating arm of the Administration in those areas. These field Offices shall assume the responsibilities of implementing and administering the function of the Administration at those levels, and the location, composition, organization and functional requirements of the field offices shall be determined by the Secretary of Labor and Employment upon the recommendation of the Administration.

SECTION 7. Administrative Provisions. - In conformity with the organizational structure stipulated in Section 3 b (1) of this Act, the administration shall provide adequate and efficient support system and services to the entire operations of its offices. And in pursuance thereof, the following shall among others govern the organization, establishment, and administrative management of the administrative management of the administration:

(a) In accordance with the organizational and functional setup, the accompanying staffing pattern shall be adopted, and the compensation plan of the Administration shall at least be patterned after that of the Philippine Overseas Employment Administration: Provided, However, That all technical and professional personnel performing operational staff function shall be

permanent and career in status, but exempt from WAFPCO and Civil Service rules and regulations, so that their annual salary and appointment shall be determined and approved by the NSA Board through the recommendation of the Administrator.

(b) In making appointments to positions in the approved staffing pattern, optimum consideration shall be made conforming to the objective of setting up and maintaining in the Administration the highest standards of integrity, efficiency and competence.

(c) In addition to other form of incentives that may be granted by the NSA Board, all personnel of the Administration shall be entitled to the benefits normally accorded to government employees; and

(d) For purposes of accounting financial transactions, a representative of the Commission on Audit shall conduct the auditing of the Administration.

SECTION 8. Special Provisions. - In implementing the provisions of the Act, the Administration may call upon any government agency or instrumentality for technical and personnel assistance. And in order to strengthen its coordinative functions, the Administration shall hire and train appropriate technical personnel which may be assigned to other government agencies involved in the implementation of laws, rules and regulations relative to the operations of the Administration.

SECTION 9. Transfer and Consolidation. - The Maritime Training Council, and all offices, departments, branches, divisions or sections of the Philippine Overseas Employment



Administration, the Maritime Industry Authority, the Philippine Coast Guard, and the Marine Board of Examiners for engine and Deck of the Professional Regulation Commission under Presidential Decree No. 97 as amended performing any of the functions provided for under paragraphs "a" to "d" and each of subparagraphs therein of Section 5 of this Act are hereby transferred with their personnel, records, files, supplies, vehicles, equipments, furnitures, funds and other properties to the National Seamen Administration.

SECTION 10. Transitory Provisions. - For purposes of effectiving a smooth orderly and expeditious organizational and functional transition period, the following shall among others govern such undertakings:

(a) The Administration shall coordinate with agencies and instrumentalities mentioned in the preceding Section 9 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 re-employment to the Administration nor shall be reduced of its rank or diminution of their salaries, unless a contrary existing law so provides; and

(c) That employees who may be laid off for cause or by option of voluntary phase out, shall be given gratuity equivalent to one month's salary for every year of service, in addition to all benefits to which they are entitled under existing laws and regulations:

Provided, That employees under this category shall undergo the usual administrative and/or legal adjudication processes.

SECTION 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 or fined according to the degree of offenses as the court or adjudicating administration may impose according with existing civil or penal code 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 owner of the said entities: Provided Finally, That nothing in this Act shall prevent the National Seamen Administration from instituting administrative penalties for violation of any regulations that it promulgates.

SECTION 12. Appropriation. - To carry out the provisions of this Act, there is hereby appropriated the sum of ten million pesos out of the funds in the National Treasury not otherwise appropriated. Thereafter, the succeeding appropriations of the Administration shall be included in the Annual Appropriation Act. In addition thereof, the Administration is hereby authorized to retain at least thirty percent from all collections of fees, charges and fines to defray any deficiency in its annual appropriations and to finance its other special projects.

SECTION 13. Repealing the Separability Clause. - Presidential Decrees Nos. 474 and 223, Republic Act No. 5173,

Executive Orders Nos. 797, 125, 125-A, and 126 are hereby modified or amended accordingly. Letter of Instructions Nos. 538 and 1404 are hereby repealed. All laws, ordinances, rules, regulations, and other issuances or parts thereof which are inconsistent with this Act are hereby repealed or modified accordingly.

And further, for any reason any section or provision of this Act is declared unconstitutional or invalid, the other sections or provisions thereof, which are not affected thereby shall remain and continue to be in full force and effect.

SECTION 14. Effectivity. - This Act shall take effect upon approval: Provided, That those portions thereof which require a transition period to ensure the orderly transfer of powers and functions shall take effect on dates specified in the implementing guidelines to be established by the NSA Board thru the recommendation of the Administration, and in consultation with the heads of government agencies concerned.

Approved,