MEMORANDUM CIRCULAR NO. 05
Series of 1994

TO : All Filipino seafarers, Manning Agencies, Shipowners, Managers and Principals Hiring Filipino Seafarers

SUBJECT : Adjustment in Rates of Compensation and Other Benefits Provided Under the POEA Standard Employment Contract for Seafarers

Pursuant to the POEA Governing Board Resolution No. 01, Series of 1994 promulgated on 14 January 1994 after recommendation of the Tripartite Technical Working Group, you are hereby advised that effective 20 March 1994, the amount of compensation and other benefits as specified under Part II, Section C, paragraph 1; Section L, paragraphs 1 and 2, and Appendix 1-A of the POEA Standard Employment Contract for Seafarers shall now read as follows:

I. "Section C. COMPENSATION AND BENEFITS
1. In case of death of the seaman during the term of his Contract, the employer shall pay his beneficiaries the Philippine Currency equivalent to the amount of US$ 50,000 and an additional amount of US$ 7,000 to each child under the age of twenty-one (21) but not exceeding four children at the exchange rate prevailing during the time of payment.

Where the death is caused by warlike activity while sailing within a declared warzone or war risk area, the compensation payable shall be doubled. The employer shall undertake appropriate war zone insurance coverage for this purpose.

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II. "Section L. LOSS OF OR DAMAGE TO CREW'S EFFECTS
BY MARINE PERIL
The seaman shall be reimbursed by the employer
the full amount of loss or damage to his
personal effects but in no case shall the
amount exceed the Philippine Currency equivalent
to the amount of US$ 2,000, if his personal
effects are totally lost or damaged as a result
of the wreck or loss or stranding or abandonment
of the vessel or as result of fire or flooding
or collision.

2. In case of partial loss, the amount shall be
determined by mutual agreement of both parties
but in no case shall exceed the Philippine Currency
equivalent to the amount of US$ 2,000.

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III. APPENDIX I-A

SCHEDULE OF DISABILITY ALLOWANCES

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Maximum Rate: US$ 50,000.
To be paid in Philippine Currency equivalent at the exchange rate prevailing during the time of payment.

IV Upon Effectivity, the new compensation and other benefits above mentioned shall apply to any Filipino seafarer already on-board any vessel, provided, that the cause of action occurs after the said compensation and benefits take effect.

V It is understood that these new compensation and benefits in cases of death, disability and loss or damage to crew's effects are the minimum requirements acceptable to this Administration. The parties to the employment contract may therefore freely and voluntarily improve these minimum compensation and benefits. Provided, that they shall be made in writing and appended to the POEA Standard Employment Contract when submitted to this Administration for processing and approval.

For strict compliance.

FELICISIMO O. JOSON
Administrator

___19___ January 1994

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