MEMORANDUM CIRCULAR NO. 26
Series of 1988

Pursuant to Governing Board Resolution No. 20 dated 02 August 1988 providing for the strict implementation of social security coverage to all Filipino seamen on board foreign ships, all manning agencies, shipowners and principals hiring Filipino seamen are enjoined to comply there-with effective sixty (60) days from June 29, 1988.

For compliance.

[Signature]
Tomas D. Alcuino
Administrator

02 August 1988
THE DEPARTMENT OF LABOR AND EMPLOYMENT

AND

THE SOCIAL SECURITY SYSTEM

GUIDELINES FOR

THE COVERAGE OF FILIPINO SEAFARERS

ABOARD FOREIGN VESSELS UNDER THE

PHILIPPINE SOCIAL SECURITY,

MEDICAL CARE AND

EMPLOYEES COMPENSATION LAWS

QUEZON CITY                29 JUNE 1988
GUIDELINES FOR THE COVERAGE OF FILIPINO SEAFARERS ABOARD FOREIGN VESSELS UNDER THE PHILIPPINE SOCIAL SECURITY, MEDICAL CARE AND EMPLOYEES' COMPENSATION LAWS.

In accordance with the Memorandum of Agreement between the Social Security System and the Department of Labor and Employment executed on the 24th day of March 1988 the following Guidelines are hereby prescribed to govern the coverage of Filipino seafarers under the Philippine Social Security, Medical Care and Employees' Compensation Laws.

I. COVERAGE

Section 1. These Guidelines apply to Filipino seafarers recruited by local licensed manning agencies in behalf of their foreign principals irrespective of whether or not there are social security programs in the latter's own countries.

Section 2. This Agreement shall cover all Filipino seafarers not over 60 years of age and their employers through the manning agencies.

For the purposes of these Guidelines, the manning agencies shall be considered the foreign employers' representatives in the Philippines and shall be made jointly and severally liable with said foreign employers for the timely reporting for coverage of the seamen to the SSS and for the faithful and regular remittance of the required SS, Medicare and EC contributions and compliance with the other duties imposed on the employers under the Philippine Social Security Law.

Section 3. Coverage of the employer shall take effect on the day he hires a Filipino seafarer and that of the seafarer on the day his wages start; provided, that those employers and employees who have already employed Filipino seafarers or have existing contracts of employment at the time of effectivity of these Guidelines shall be subject to coverage on said effectivity date.

II. CONTRIBUTIONS AND BENEFITS

Section 1. (a) The Schedule of SS, Medicare and EC contributions for regular SSS employee members under the SS, Medicare and EC Laws including all future amendments shall apply to the seafarer and the contributions shall be remitted quarterly to the SSS or any of its authorized collecting bank by/thru the manning agencies.
For this purpose, the manning agencies are required to indicate the deductions made for said contributions from the salaries of the seafarers in the payrolls which are submitted to the Philippine Overseas Employment Administration.

(b) The rules governing the collection and remittance of contributions as provided under the SS, Medicare and EC Laws, as amended, shall apply to the manner of collection and remittance hereof.

Section 2. (a) The seafarer covered shall be entitled to the same SS, Medicare and EC benefits and member loan privileges granted to regular SSS employee members and the same shall be separate and distinct from and will be in addition to whatever benefits which the seafarer is entitled under his contract of employment.

(b) The rules governing the entitlement to said benefits and member loan privileges by regular SSS employee members shall apply to covered seafarers.

(c) The SSS shall compute the benefits and member loan privileges of covered seafarers on the basis of contributions actually remitted to the SSS before the occurrence of the contingency under the SS, Medicare and EC Laws without prejudice to collecting premium delinquency, if any, and the corresponding adjustment of benefit when back premiums are paid.

III. MEASURES FOR THE ENFORCEMENT OF THE RESPONSIBILITY

Section 1. The SSS shall submit every six months to the Department of Labor and Employment a list of employers who are delinquent in the remittance of their premium contributions.

To see to it that delinquencies are paid and the entitlement of the seafarers to full benefits are ensured, the Department of Labor and Employment thru the Philippine Overseas Employment Administration may cause the suspension, cancellation or revocation of license of delinquent employers/agencies.

Violations of these Guidelines, the SS, Medicare and EC Laws and other related legislations shall likewise be a ground for the suspension, cancellation or revocation of the license of erring employers/agencies.
This is without prejudice to the usual sanctions and other remedies against the employer or its representative which the Department of Labor and Employment, the SSS and/or the seafarers may have under the employment contract.

IV. MISCELLANEOUS PROVISIONS

Section 1. These Guidelines are issued without prejudice to the benefits and entitlements being enjoyed by seafarers who are SSS members even prior to the execution of the Memorandum of Agreement on 24 March 1988.

Section 2. All provisions under the Labor Code, SS, Medicare and EC Laws which are not inconsistent herewith shall be deemed and hereby form part of these Guidelines and made binding upon the parties concerned.

V. EFFECTIVITY

Section 1. These Guidelines shall take effect 60 days after the date of signing hereof.

Signed this 19th day of June 1988, at Quezon City, Philippines.

FOR THE SOCIAL SECURITY SYSTEM:

JOSE L. CUISIA, JR.
Administrator
Social Security System

FOR THE DEPARTMENT OF LABOR AND EMPLOYMENT:

TOMAS D. ACHACOSO
Administrator
Philippine Overseas Employment Administration

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