

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

NINETEENTH CONGRESS
Second Regular Session

House Bill No. 10495



Introduced by Representative Ron P. Salo

EXPLANATORY NOTE

The maritime industry is a critical sector of the Philippine economy, with Filipino seafarers constituting a substantial segment of the global maritime workforce. Despite their significant contributions, these seafarers frequently encounter challenges such as exploitation, unfair labor practices, and ambulance chasing. Ambulance chasing involves unethical practices where individuals or organizations exploit seafarers to file unwarranted claims or lawsuits, often charging exorbitant fees for their services. This bill seeks to further enhance the protection of seafarers against such practices by amending Republic Act No. 10706, otherwise known as the “Seafarers Protection Act.”

The primary objectives of this bill are to establish a fair, efficient, and transparent process for the execution of judgments and monetary awards in favor of seafarers; implement stringent measures to prevent ambulance chasing and ensure the full restitution of monetary awards in the event of reversals on appeal; and foster a collaborative approach between various stakeholders, including unions, employers, and government agencies, to protect the rights and welfare of seafarers.

For the first time, both unions and employers locally (the manning associations and the established unions with Collective Bargaining Agreements) and foreign stakeholders (shipowners and the International Transport Workers’ Federation (ITF)) have agreed that the solution to the problem of ambulance chasing in the Philippines is the inclusion of an escrow provision in the Magna Carta of Seafarers which morphed into a bond. However, this escrow provision was subsequently deleted by the Bicameral Conference Committee that finalized the Magna Carta of Filipino Seafarers. Additionally, representatives from the Associated Marine Officers’ and Seamen’s Union of the Philippines (AMOSUP), the largest union of Filipino seafarers, the Department of Migrant Workers (DMW), and the Department of Transportation (DOTr) have already agreed to the inclusion of the bond provision during the two years of painstaking hard work in the 19th Congress.

The enactment of this bill will significantly strengthen the protection of Filipino seafarers against unethical practices and exploitation. By providing clear guidelines for the execution of monetary awards and instituting a bond provision that ensures full restitution of subsequently reversed decisions that have already been executed, this bill ensures that the Philippine legal system maintains its fairness regardless of the parties concerned.

The inclusion of the bond provision is a necessary remedy to address the stigma against the Philippines among international shipowners and their representatives that the country has become a haven of unscrupulous legal practitioners who prey on both seafarers and shipowners alike. Thus, this proposed amendment is crucial in maintaining the integrity and stability of the seafaring profession and ensuring that the Philippines continues to be a leading provider of skilled maritime labor. It underscores the government's unwavering commitment in safeguarding the interests and welfare of its maritime workforce.

In view of the foregoing, approval of this bill is earnestly sought.



RON P. SALO
KABAYAN Party List

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**AN ACT FURTHER ENHANCING THE PROTECTION OF SEAFARERS AGAINST
AMBULANCE CHASING, AMENDING FOR THE PURPOSE REPUBLIC ACT NO.
10706, OTHERWISE KNOWN AS THE “SEAFARERS PROTECTION ACT”**

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

SECTION 1. A new Section 5 of Republic Act No. 10706 is hereby inserted as
follows:

“SEC. 5. Section Execution of Judgment and Monetary Awards. –
The DOLE, NLRC and NCMB, in consultation with the Maritime Industry
Tripartite Council (MITC) of the Department of Migrant Workers (DMW),
shall promulgate the necessary rules and procedures to ensure the fair,
speedy, equitable and just disposition and execution of decisions granting
monetary awards for the salaries and wages of seafarers, for their death
and disability claims, and for all their other statutory benefits.

The DOLE and its attached agencies above shall likewise
promulgate rules and regulations to prevent ambulance chasing to ensure
the timely and full restitution of the monetary award, in case the decision is
reversed on appeal or judicial review. For this purpose, the following
mechanisms are instituted, without prejudice to such rules as the Supreme
Court may issue or promulgate.

The decision granting a monetary award in a voluntary or
mandatory arbitration, or by the NLRC, must state the specific amounts for
the payment of the following:

(a) Any salary or wage;

(b) Any statutory monetary and welfare benefits;

(c) Any undisputed amount, which is admitted by a party to be legally due to the other party;

(d) Any disputed amount determined to be legally due the seafarer;
and

(e) Damages, including moral damages, exemplary damages, nominal damages, attorney's fees, and other similar awards.

The portion of the decision awarding items (a), (b) or (c) above shall be immediately executory even pending appeal or judicial review.

Items (d) and (e) above, as specified in the final and executory decision of a voluntary or mandatory arbitrator, or by the NLRC, shall be awarded to the final prevailing party in the event that said decision is totally or partially reversed, or is annulled on appeal, or if it is set aside following a judicial review.

Pending such an appeal or judicial review, a writ of execution on items (d) and/or (e) shall only be issued if the judgment obligee posts a sufficient bond to ensure the full restitution of those amounts and the bond shall be maintained by the obligee until final resolution of the appeal or judicial review: *Provided*, That in the event that the seafarer ultimately prevails on appeal or judicial review, the losing party shall immediately reimburse the total amount paid by the seafarer for the cost of the bond. However, if the seafarer loses, no such reimbursement shall be made.

SEC. 2. Sections 5, 6, 7, and 8 of Republic Act No. 10706 are hereby renumbered accordingly.

SEC. 3. *Implementing Rules and Regulations.* – The Department of Migrant Workers, in coordination with the Department of Labor and Employment, National Labor Relations Commission, the Maritime Industry Authority, and in consultation with relevant stakeholders, including unions, shipowners and their representatives, and manning agencies, shall promulgate the necessary rules and regulations within sixty (60) days from approval of this Act.

SEC. 4. *Repealing Clause.* – All laws, decrees, orders, rules and regulations or parts thereof which are inconsistent with the provisions of this Act are hereby repealed, amended or modified accordingly.

SEC. 5. Effectivity. – This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,