

Protection across the seas: reconstructing dispute resolution mechanisms thorough the Magna Carta for Filipino seafarers

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Abstract:

This paper examines the transformative impact of the 2024 Magna Carta for Filipino Seafarers on maritime labor dispute resolution mechanisms within the international shipping industry. As one of the world's leading maritime labor supplying countries, the Philippines faces substantial challenges in safeguarding seafarers' rights and ensuring equitable compensation for occupational injuries. Through field research and document analysis, this research identifies and explains on three innovative mechanisms introduced by the Magna Carta: the establishment of an independent medical evaluation system, the development of a regulatory framework governing legal intervention in compensation claims, and the enhancement of alternative dispute resolution methods. These mechanisms represent a paradigm shift from traditional bilateral dispute resolution between shipowners and seafarers toward a more collaborative governance structure through a tripartite maritime advisory council that incorporates multiple stakeholders, including government regulatory agencies, maritime industry representatives, and labor unions. This comprehensive framework not only provides a basis for fundamental reform of seafarers' working conditions but also fosters enhanced dialogue among diverse stakeholders. For the Japanese merchant fleet with its substantial reliance on Filipino seafarers, the improvements in working conditions initiated by this law hold considerable significance, promising to contribute to industry stability and sustainability. Furthermore, the Magna Carta has is poised to serve as a pioneering model for advanced maritime labor governance on a global scale, potentially informing future policy formulation and international cooperation in the realm of seafarers' rights.

Keywords: Maritime Labor Law, Dispute Resolution, Filipino Seafarers, Magna Carta, Occupational compensation, Maritime Governance

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I. Introduction

The Philippines is widely recognized as one of the leading labor-exporting countries among Global South nations. According to the 2020 national census, the Philippine population has exceeded 109 million. As economic growth has failed to generate sufficient employment opportunities to match this rapid population increase, resulting in rising unemployment and underemployment rates, many workers are increasingly choosing to seek employment overseas (Suzuki 2025). Furthermore, as part of its economic development strategy, the Philippine government actively promotes labor exports, as evidenced by the 2022 elevation of the Philippine Overseas Employment Agency to the Department of Migrant Workers (hereinafter referred to as DMW). The origins of Filipino overseas labor can be traced back to the activities of Filipino seafarers in the 16th century. During the Spanish colonial period, active bilateral trade was conducted between the Philippines and Mexico using large commercial sailing vessels called galleons, where Filipino seafarers played crucial roles (Mercene 2007). Against this historical backdrop, legislation protecting seafarers' rights developed early, including the enactment of the Maritime Salvage Act (Act No. 2616) in 1916. The contemporary veneration of Overseas Filipino Workers (herein after referred to as OFW) as national heroes and key contributors to foreign exchange earnings is rooted in this over 400-year tradition of Filipino maritime labor.

Maritime transport remains an essential element of the global economy's infrastructure, facilitating approximately 80% of the world's international trade volume. The importance of this sector is particularly evident in Japan, an island nation that requires a robust maritime transport network due to its geographical conditions. Japan's reliance on maritime transport is quantitatively significant, with ocean-going vessels supporting 99.6% of the country's total trade volume, making maritime transport an essential socioeconomic infrastructure that is fundamentally dependent on national prosperity.² Despite this heavy reliance on maritime transport, the number of Japanese seafarers has fallen significantly, and there are currently only around 2,000 Japanese seafarers on foreign-flagged vessels. This demographic shortfall has made it essential rely on foreign seafarers, particularly for the operation of strategically important vessel categories such as large crude oil tankers, container ships, and car carriers. These ships are the backbone of Japan's international trade and although they are currently operated mainly by foreign seafarers, Filipino seafarers account for the majority of the international workforce. According to a quantitative assessment in the 2021 White Paper on Maritime Policy issued by the Ministry of Land, Infrastructure, Transport

² See Table 2 below.

and Tourism, it is estimated that there are currently approximately 55,000 seafarers on board the ocean-going vessels operated by Japanese companies. In this maritime labor ecosystem, Filipino seafarers occupy the most important position, accounting for approximately 69% of the crew of Japanese shipping companies (Japanese Shipowners' Association 2025). This statistical dominance does not merely indicate a numerical majority but also means that the Japanese maritime sector is fundamentally dependent on Filipino maritime professionals for its operation.

There is still much room for improvement in current working conditions and the system of compensation for work-related accidents, and maritime labor unions, including the Associated Philippine Seafarers Union, are consistently advocating for reform of the system. Particularly the problem was the lack of transparency in the process of claiming compensation for work-related accidents has also been cited as making it difficult for seafarers to receive adequate compensation. Furthermore, the widespread practice of inappropriate solicitation of lawsuits, known as "ambulance chasing" by certain attorneys, has also been a factor undermining seafarers' rights, and urgent measures were required to address this matter³.

While the Philippine government, international organizations, and industry associations are collaborating to maintain and enhance seafarers' working conditions, there are still many unresolved issues. This report comprehensively examines the working conditions of Filipino seafarers based on previous research and data from International Transport Workers' Federation and Japan Shipowners' Association, analyzing key issues and examining future improvement challenges in light of the "Magna Carta for Filipino Seafarers" (Republic Act No. 12021) enacted in 2024.⁴

II. Review of related previous research

Previous research and empirical investigation concerning Filipino seafarers' employment conditions and occupational environments reveal distinctive characteristics and multifaceted challenges inherent in their transnational employment contexts. Filipino maritime professionals typically operate within heterogeneous multinational crew configurations and frequently serve aboard vessels registered under flags of convenience - ships strategically registered in jurisdictions

³ Primary data collected through interview with Legal Aid Office representatives, University of the Philippines College of Law, Manila, Philippines, January 2025.

⁴ Republic of the Philippines, "Republic Act No. 12021: An Act Instituting the Magna Carta of Filipino Seafarers," Official Gazette of the Republic of the Philippines, 23 September 2024
<https://www.officialgazette.gov.ph/2024/09/23/republic-act-no-12021/> (accessed 14 December 2024).

characterized by comparatively permissive regulatory frameworks. While beneficial vessel ownership often resides with European or Japanese corporations, seafarers find themselves positioned between Philippine national legislation and international normative structures. This globalized occupational environment manifests a dual structure wherein international frameworks, including those established by the International Transport Workers' Federation (hereinafter referred to as ITF), International Maritime Organization (hereinafter referred to as IMO), and International Labour Organization (hereinafter referred to as ILO), influence over working conditions, while Philippine domestic jurisprudence maintains primary authority over contractual frameworks and dispute resolution mechanisms. This jurisdictional complexity has led scholars to conceptualize Filipino seafarers' working conditions as existing within an ambiguous "grey zone between global shipping and national labor regulations," characterized by regulatory uncertainty and potential governance gaps.⁵

The Philippine government has established comprehensive legal frameworks to protect its seafarers. A particularly significant instrument is the POEA Standard Employment Contract (hereinafter referred to as POEA-SEC), which is promulgated by the Philippine Overseas Employment Administration (hereinafter referred to as POEA), and is a contract that is required to be concluded between seafarers and their employers, such as ship owners and operators, before boarding the ship. This contract stipulates minimum labor conditions, encompassing wages, working hour limitations, leave entitlements, social security provisions, medical compensation, and repatriation terms. Following its ratification in 2012, the POEA-SEC was formulated in alignment with the Maritime Labour Convention (hereinafter referred to as MLC 2006), reflecting the Philippines' commitment to ensuring decent work for seafarers. The formulation of the POEA-SEC has strengthened several protective provisions, including mandatory social insurance coverage for seafarers.⁶

On the other hand, there are critiques that these contractual protections are not functioning adequately in practice. Specifically, it has been pointed out that while the POEA-SEC meets the arbitration requirements of MLC 2006 in form, its content merely sets out minimum standards for working conditions and is insufficient for protecting the rights and improving the welfare of seafarers. For instance, the study by Pia et al. (2024) points out that despite the fact that the

⁵ Primary data collected through interview with Legal Aid Office representatives, University of the Philippines College of Law, Manila, the Philippines January 2025.

⁶ Del Rosario, A.T. & Del Rosario Law Offices, "An overview of the amendments to the POEA standard employment contract: legal implications and operational consequences," <https://delrosariolaw.com/an-overview-of-the-amendments-to-the-poea-standard-employment-contract/> (accessed 10 December 2024).

Philippine government has developed the POEA-SEC in order to fulfill its obligations as an MLC member state, key protective provisions are in effect nullified by the minimum contractual conditions. This study points out that the POEA-SEC is essentially not a comprehensive framework aimed at protecting seafarers, but rather an economic arrangement designed to secure remittances from seafarers.

With regard to the working conditions of Filipino seafarers, it has been pointed out that a major problem is the lack of coordination between the government agencies and the clear division of roles, and in response to this, a field study conducted in 2011 by the Institute of Labor Studies under the Department of Labor and Employment (hereinafter referred to as DOLE) pointed out the need for strengthen coordination between relevant government agencies including DOLE, the Maritime Industry Authority (hereinafter referred to as MARINA), the POEA, and other relevant government agencies, and it was recommended that the Maritime Labour Convention 2006 be ratified (Anchustegui 2021).

These recommendations reflect growing recognition within the Philippine government of the necessity for cross-ministerial initiatives. Subsequently, the Philippines ratified the MLC 2006 in 2012 and enhanced its domestic system by revising the POEA contract in 2010, including expanding the scope of social security coverage. However, persistent challenges in maintaining a high-quality workforce remain, and deficiencies in seafarer education and training were repeatedly pointed out in audits by the European Maritime Safety Agency's (hereinafter referred to as EMSA). The Philippine government has responded to these issues by implementing significant maritime administration reforms such as centralizing maritime administrative authority in MARINA to strengthening the standards of seafarer training institutions (Chibana 2024b).

In 2023, in order to demonstrate its commitment to quality assurance in maritime training institutions' educational programs, the authorities closed 15 maritime education programs and temporarily suspended the approval of new programs. Although this is primarily an issue of education rather than working conditions, the supply of highly trained seafarers is essential for long-term improvements in working conditions, such as opportunities for promotion and pay increases through improved skill levels, and the Philippine authorities are also focusing on this point. The background to this is that, in response to the request for corrective action from EMSA, MARINA and the Commission on Higher Education have been working together to strengthen supervision of maritime education institutions in the country.⁷

⁷ Philippine Daily Inquirer, "15 maritime programs shut for noncompliance with international standards: regulatory enforcement in Philippine maritime education," 12 April 2023.

In terms of improving the welfare of seafarers, there is also a body of prior research on harassment and human rights violations on board ships. The maritime industry has traditionally been male-dominated, and as of 2017, out of the 450,000 Filipino seafarers, only around 17,100 were women, or about 3.8%. As a result, sexual harassment is a potential problem in the onboard environment. However, there are very few cases officially reported and the POEA has received only one formal complaint of sexual harassment from seafarers in its 26-year history. This low number is more likely to indicate that there are widespread incidents that go unreported rather than that there are no cases of sexual harassment at all. It is thought that female seafarers often remain silent about any incidents for fear of ridicule from male colleagues or employment reprisals.⁸

In response to this situation, the Associated Marine Officers' and Seamen's Union of the Philippines (hereinafter referred to as AMOSUP) established a women's committee in 2019 and set up a consultation service for female seafarers. Despite this certain progress,⁹ efforts to eradicate harassment on board are still in the early stages. Reports that around 60% of female seafarers worldwide have experienced sexual discrimination or sexual harassment at work,¹⁰ show that sexual discrimination and sexual harassment in the maritime industry are still deeply rooted. At the global level, international organizations such as the ILO, the IMO, and the International Chamber of Shipping (hereinafter referred to as ICS) have begun to formulate guidelines and awareness-raising activities, and in response to this, improvements at the corporate level have also gradually begun to progress. The Philippine government's legislation of a comprehensive Seafarers' Bill of Rights that clearly includes anti-harassment measures and redress mechanisms is also evidence of the country's commitment to complying with these international standards.

This section identified several key issues that characterizes the working conditions of Filipino seafarers. The most significant of these is the complex governance structure that spans multiple layers of jurisdiction, from international maritime convention and standards to national regulatory frameworks and private contractual arrangements. This multi-layered governance structure creates significant implementation gaps and regulatory inconsistencies that seafarers must navigate during their employment. Of particular concern is the gap between the formal protections enshrined in employment contracts and the practical realities that seafarers experience

⁸ Frankie Lantican, "The Hidden Sexual Harassment of Female Seafarers," VICE Asia-Pacific, 1 October 2020 (accessed 15 December 2024).

⁹ Primary data collected through interview with representatives at Associated Marine Officers' and Seamen's Union of the Philippines (AMOSUP), Davao Branch, Davao City, the Philippines, November 2022.

¹⁰ Marine Insight News Network, "Women seafarers report high levels of gender-based discrimination ... ," Marine Insight, 26 October 2022 (accessed 10 December 2024).

during their deployment. This lack of implementation is evident in many aspects of seafarers’ welfare, including compensations schemes, working hours, access to medical care and grievance mechanisms. The research found that even when contract provisions appear to meet international standards, the actual experience of Filipino seafarers often diverges from these formal protections, creating a troubling reality gap. The following chapters will focus on these institutional challenges, examine the structural factors that perpetuate these conditions, and attempt to assess institutional challenges in more detail.

III. Working environment for Filipino seafarers

A. Payment and remittance of wages

The remuneration framework for Filipino maritime professionals is mainly structured in accordance with internationally established minimum standards and through formalized collective bargaining mechanisms. While compensation packages exhibit considerable heterogeneity contingent upon hierarchical position, for example, whether officers such as navigators and engineers, or ratings, and professional experience, the ILO has established a recommended minimum basic wage for Able Bodied Seamen (hereinafter referred to as AB), a rating-level position, at US\$658 per month as of 2023¹¹. This standardized baseline represents the ILO's effort to establish uniform compensation parameters within the maritime industry's hierarchical employment structure.¹² The Joint Maritime Commission (hereinafter referred to as JMC) is made up of shipowners and seafarers and was established by the ILO. The Joint Working Group of the JMC meets every two years. In 2022, it agreed to increase the current ILO minimum monthly basic wage for an able seafarer to as below:

Table 1: Statutory wages for members (excluding allowances, etc.)

Year	Amount of wage
1 January 2023	USD 658
1 January 2024	USD 666
1 January 2025	USD 673

Source: ITF Manila

¹¹ International Labour Organization (ILO), Maritime Labour Convention 2006 (as amended), Guideline B2.4.4, which recommends that “the basic pay or wages for a calendar month of service for an able seafarer should be no less than the amount periodically set by the Joint Maritime Commission.”

¹² ILO, “ILO body adopts new minimum monthly wage for seafarers,” ILO Newsroom, 28 February 2014 (accessed 10 December 2024).

This minimum wage constitutes a basic salary predicated on an eight-hour workday and forty-eight-hour workweek structure. Actual compensation typically encompasses additional elements including overtime remuneration, holiday allowances, and hazard pay supplements. For senior officers, monthly compensation may reach several thousand dollars, reflecting the industry's hierarchical wage structure. While seafarer wages are denominated in U.S. dollars and exceed domestic Philippine salary levels, it is important to acknowledge that within the global maritime labor market context, Filipino seafarers have historically been positioned as an "economically advantageous and readily accessible workforce." This characterization reflects the complex dynamics of international maritime labor markets and their embedded wage hierarchies. The remuneration levels for Filipino seafarers are set through international negotiations to maintain parity with other major labor-supplying nations such as Russia, China, Indonesia, and India, for equivalent positions (UNCTAD 2021), however, these wage levels are usually maintained lower than those of seafarers from developed nations. From the perspective of employers, it is said that the standardization of seafarers' wage in each country makes it easier to manage cost competitiveness, and to creates an incentive to actively utilize maritime labor from the Philippines and other labor-supplying countries (Pia et al. 2024).

This wage determination structure tends to result in adherence to minimum standards rather than exceeding them, raising concerns about insufficient mechanisms for motivational enhancement and skill-based wage progression. This structural characteristic of maritime wage determination potentially undermines the development of more nuanced compensation frameworks that could better reflect individual competencies and professional development. A distinctive feature of Filipino seafarers' employment contracts is the mandatory remittance of a substantial portion of their wages to families in their home country. The POEA-SEC stipulates that seafarers must designate at least 80% of their basic monthly salary as an allotment for family remittance to specified beneficiaries.¹³ This structural arrangement ensures stable remittances to seafarers' families while leaving approximately 20% for seafarers' personal expenses during their shipboard tenure. Not only does this system contribute to the national interests by earning foreign currency through remittances, but it also fulfills an important social function of supporting the families of seafarers who are separated from them for long periods of time (UNCTAD 2021).

Therefore, securing appropriate wages and ensuring reliable remittances represent critical concerns not only for individual seafarers but also for their families and the nation-state. The ILO

¹³ Del Rosario, A.T. & Del Rosario Law Offices, "DelRosarioLaw - An Overview of the Amendments to the POEA Standard Employment Contract," E-Library, 11 November 2010 (10 December 2024).

and the ITF have intensified monitoring of member states to prevent wage defaults and delays for seafarers. In addition, the Philippine government has implemented legal measures, such as the Seafarers Protection Act of 2015, which prohibits attorneys from extracting unreasonable compensation, thereby ensuring seafarers receive legitimate wages and compensation. With regard to improving wages, international agreements have established incremental increases, for example, an agreement has been reached to increase the minimum basic wage for ABs by \$27 by 2025, but seafarers’ dissatisfaction continues against the backdrop of the recent inflationary trend and resulting rise in living costs.¹⁴

B. Long working hours

International standards establish normal working hours for seafarers at eight hours per day and forty-eight hours per week. The POEA-SEC explicitly incorporates these provisions for labor services totaling forty-eight hours across a seven-day week. However, actual shipboard duties frequently exceed these standardized working hours. In particular, in port operation and berthing procedures, there is a tendency for additional tasks to supplement regular duties, resulting in standardized overtime and holiday work. The seafarer dispatch contract includes provision on overtime work and appropriate rest periods, but practical implementation is largely dependent on the discretion of the captain and international practice, so it is not an effective maximum working hour regulation.

The unique environment of maritime employment, where seafarers spend twenty-four hours at their workplace, creates inherent ambiguity between work and rest periods. The workplace environment begins immediately upon waking, and off-duty personnel may frequently face emergency response requirements or alarm management responsibilities. Excessive fatigue represents both a health concern for seafarers and a potential catalyst for errors and accidents, drawing international scrutiny. While the ILO Maritime Labour Convention mandates minimum rest periods of ten hours daily and seventy-seven hours weekly, reports indicate some vessels fail to meet these requirements. Filipino seafarers are not exempt from these challenges, with chronic fatigue and stress from extended working hours remaining significant concerns (Pia et al. 2024).

In particular, during the period of the global pandemic of infectious diseases caused by COVID-19, the replacement of crew members was delayed, and the period of time spent on board ships was extended beyond the original contract period, resulting in a situation where many seafarers were unable to disembark for over a year. Due to this “seafarer crisis”, the fatigue and

¹⁴ International Chamber of Shipping (ICS) “Agreement on Minimum Wage for Seafarers Announced,” ICS Press Release, 20 December 2018 (accessed 10 December 2024).

psychological burden on seafarers rose to unprecedented levels, and the ILO and IMO designated seafarers as "key workers" and recommended that each country give them priority for disembarkation, rest, and vaccinations, and so on, as a priority (UNCTAD 2021). As of 2025, the situation has largely normalized, but this crisis provided important insights into the protection of seafarers' rights and health in future emergencies.

From the above, it can be seen that the wages of Filipino seafarers are generally stable and in line with international standards, however, their compensation tends to hover around the minimum standard. Similarly, while working hours are nominally regulated, in practice long and intensive working patterns are frequently seen. In view of serious violations such as non-payment of wages, the establishment of appropriate working hour management and fatigue prevention mechanisms is considered to be one of the most important issues in improving maritime working conditions.

C. Contract stability

The employment of Filipino seafarers is mainly based on fixed-term contracts. Seafarers engaged in ocean voyages usually work on board for about 6 to 10 months per contract, followed by several months of shore-based work. This pattern establishes a cyclical process in which the process of application, selection and re-boarding is repeated for each contract. In the case of Filipino seafarers, the employment relationship is with a foreign shipping company, but the domestic relationship is maintained with a seafarer dispatch company that functions as an employment agency.

In the case of seafarers, the employment relationship with the shipowner ends when the seafarer disembarks, and the contract needs to be renewed. This is fundamentally different from permanent employment such as indefinite regular employment. Within the framework of the Philippine Labor Code, seafarers are classified as "project contract workers", and the termination of the contract does not constitute dismissal. This classification makes employment intermittent, and because there is no guarantee of employment security, seafarers need to make efforts to find new employment each time they board a ship. This structure is a common reflection of international maritime employment practices, but it creates an inherently unstable career path with uncertain subsequent employment. Young seafarers may be able to find re-employment relatively easily, but aging and deteriorating health can significantly hinder contract acquisition and increase the risk of sudden income loss. Pia (2016) points out that this series of short-term contract is due to the fact that the Philippine government views seafarers as temporary, cost-effective labor, and that prioritizes the creation of numerous overseas employment opportunities over long-term

employment security. This criticism suggests a structural tendency in maritime employment policy to prioritize quantity over stability.

The POEA-SEC sets out detailed provision on the rights and obligations of each contract. On the other hand, there are no provisions on continuity between contracts or guarantees for career development. The shipping company as the employer, is not obligated to employ seafarers with good evaluations after the contract ends and has complete discretion over recruitment and personnel transfers. As a result, seafarers may face the possibility of contract termination even after many years of service with the same shipping company and in some cases they may effectively be on an open-ended probationary period. In a study by Pia et al. (2024), it was pointed out that the POEA-SEC basically lacks a concept of employment security, and that the systematic repetition of short-term contracts undermines the rights of workers. This employment instability is also a significant factor that prevents seafarers from expressing their concerns about poor working conditions and inappropriate treatment. In addition, according to a survey by Pia et al. (2024), the reason why issues related to harassment and orders are often not reported is that there is a widespread tendency to endure such concerns in silence because expressing such concerns may have a negative impact on future contract opportunities.¹⁵

Age discrimination and health restrictions are also major issues for seafarers seeking re-employment. In fact, research has shown that when seafarers reach their 50s, their chances of having their contracts renewed usually decrease. This is because when seafarers reach their 50s, shipping companies tend to prefer younger workers due to concerns about physical ability and increased health risks. Although there are no regulations in the Philippines regarding a standard retirement age, many seafarers effectively retire in their late 40s or early 50s. This early retirement, combined with sometimes inadequate pensions and savings, leaves seafarers with significant financial vulnerabilities. The short-term contract system provides little incentive for employers to implement measures to support seafarers' long-term careers, leaving seafarers almost entirely responsible for their own career transitions. Furthermore, the burden of having to take almost full responsibility for one's own career change is compounded by the fact that it is difficult to return to maritime employment after switching to land-based work, which can lead to a restriction on career mobility options.¹⁶

¹⁵ Primary data collected through interview with representatives at AMOSUP, Davao Branch, Davao City, the Philippines, November 2022.

¹⁶ Primary data collected through focus group interview with maritime education stakeholders at Holy Cross Davao College, Davao City, the Philippines, September 2023.

Philippine government agencies and related organizations are aware of the problem of contractual instability. In particular, AMOSUP and the ITF are advocating for employment security through the Priority Continued Assignment and Pooling System, which systematically assigns crew members from registered seafarer groups. Some major shipping companies have begun to strategically utilize their human resources, such as by hiring excellent seafarers for long-term employment with the possibility of promotion to shore-based management positions. However, such initiatives are rare and exceptional, and the employment stability of the majority of Filipino seafarers remains low.

A policy document released by the Philippine government emphasize the need for measures to stabilize employment, stating that the development of a sustainable maritime industry requires the securing of labor force and improvement of skills. However, the abuse of short-term contracts not only undermines the welfare of workers but also has the potential to negatively impact the accumulation of knowledge in the industry as a whole, as experienced seafarers leave the industry prematurely. For this reason, the government recognizes the need for comprehensive measures such as support for transitioning between contracts and support for careers after retirement. During intergovernmental consultations, the introduction a permanent employment system similar to Japan's fixed-term contract conversion system for seafarers who repeatedly sign contracts under certain conditions was considered, but due to implementation issues in the international employment framework, this has not been realized.¹⁷

From the above, it can be seen that the employment of Filipino seafarers is in a state of structural instability and that creating an environment that promotes the stability of contracts and promotes long-term career development is an important issue for both the Philippines and the international maritime industry.

D. Welfare and benefits

There are several systems in place for the social security and welfare benefits of Filipino seafarers. The 2010 revised POEA-SEC explicitly mandates shipowners and ship management companies, as employers, to participate in Philippine social security systems. Specifically, employers bear responsibility for enrolling seafarers in the Social Security System (hereinafter referred to SSS), Philippine Health Insurance Corporation (hereinafter referred to as PhilHealth), Employees' Compensation Commission (hereinafter referred to as ECC), and Home Development Mutual Fund (hereinafter referred to as Pag-IBIG). These requirements, which were previously set

¹⁷ Primary data collected through interview with representatives at International Transport Workers' Federation (ITF), Manila Office, the Philippines, January 2025.

out in a memorandum of agreement, have been strengthened by being incorporated into the contract terms and conditions.¹⁸ Therefore, Filipino seafarers are covered by pension insurance (SSS pension), PhilHealth, workers' compensation insurance (ECC benefits), and housing savings (Pag-IBIG loans). However, it should be noted that, despite being compulsory, the arrangements for the contribution of insurance premiums are left to negotiation between seafarers and employers, and the continued payment of insurance premiums is dependent on the continuation of the contract.

Republic Act No. 11199 of 2019 explicitly mandates the enrollment for OFWs, including seafarers in the SSS. While this law establishes eligibility for future pension benefits under certain conditions, it is important to note that the typical pattern of seafarers leaving maritime employment around the age of fifty does not allow them to meet the minimum contribution periods that are 120 months or 10 years of premium payments. In such cases, the individual will receive a lump sum payment rather than a lifetime pension, and there is a possibility that their life after retirement will become unstable. In order to deal with these issues, it is necessary to systematically save money while still working, and to continue paying SSS insurance premiums even after moving to shore-based employment, but currently, these measures are the responsibility of the individual. In light of this situation, the Philippine government has initiated a financial literacy education program for seafarers and is encouraging them to use their remittances for savings and investments.¹⁹

In addition, with regard to medical and occupational accident compensation, the old POEA contract and related legislation establish comprehensive compensation frameworks for accidents and illnesses occurring during shipboard service. When seafarers sustain injuries or develop illnesses during their contract period, shipowners bear obligations for appropriate treatment provision and associated costs, with salary continuation guaranteed for specified periods. The system provides disability-grade-based benefits, for instance, fixed compensation of USD 60,000 for severe disabilities such as total paralysis, determined by injury severity. In cases of shipboard fatality, surviving family members receive substantial death compensation, typically approximately USD 50,000, and dependent children allowances from shipowners or insurers. These standardized amounts, established through collective agreements between the ITF, the

¹⁸ Del Rosario, A.T. & Del Rosario Law Offices, "DelRosarioLaw - An Overview of the Amendments to the POEA Standard Employment Contract," E-Library, 11 November 2010 (accessed 10 December 2024).

¹⁹ Primary data collected through interview with representatives at Overseas Workers Welfare Office (OWWA), Manila, the Philippines, November 2022.

AMOSUP, and shipowners, represent minimum guaranteed thresholds within POEA contracts. In addition, there are also cases where additional benefits are available through the ECC.²⁰

The Overseas Workers Welfare Administration (hereinafter referred to as OWWA) plays an important role in the welfare of Filipino seafarers. As a government agency responsible for the overall welfare of overseas workers, OWWA requires seafarers to join the organization by paying membership fees for each employment contract, and the seafarers' manning agencies usually handles the application process on behalf of seafarers. The manning agency also handles the application process on behalf of retired seafarers who wish to receive OWWA benefits. As a benefit of paying membership fees, members can receive life insurance in the event of death, as well as disability insurance benefits based on disability grade. Other benefits include funeral assistance and medical assistance in the event of serious illness. The death benefit is 100,000 pesos for natural death and 200,000 pesos for accidental death. The OWWA also provides scholarships for the dependents of seafarers, as well as funding for skill improvement based on the Seafarer's Competency Enhancement Program.²¹

Other services include assistance with evacuation from conflict areas, advance payment of predetermined repatriation costs through wages, support for starting a business after returning home, and vocational training programs. These OWWA services contribute to the welfare of seafarers and their families, but it should be noted that there are no pension-type benefits. The OWWA functions purely as a welfare agency and does not provide retirement pension or retirement or retirement savings program like the SSS. Therefore, public benefits for retirement are limited to SSS pensions, Pag-IBIG savings, and personal savings with a certain period of eligibility. Although some seafarers benefit from the AMOSUP or company retirement schemes, personal financial planning for many other seafarers remains essential.

The Philippine government recently integrated the OWWA into the DMW in order to establish more comprehensive welfare management for overseas workers. The DMW has established a one-stop support center through OWWA that provides comprehensive services, including social insurance enrollment for seafarers, consultation on remittance and investment,

²⁰ Republic of the Philippines, "Migrant Workers and Overseas Filipinos Act of 1995" (Republic Act 8042) and is amended version "Migrant Workers and Overseas Filipinos Act of 2010" (Republic Act 10022), official Gazette of the Republic of the Philippines.

²¹ OWWA, "Social Protection for OFWs Enhanced: comprehensive analysis of welfare programs and legal safeguards," OWWA transparency report, 2022, "[PDF] SOCIAL PROTECTION for OFWS ENHANCED - OWWA Transparency" (accessed 10 December 2024).

and counseling services. These services are available to all overseas Filipino workers, and seafarers are among the main beneficiaries.²²

The welfare benefits for Filipino seafarers have gradually improved due to compulsory enrollment in social security and the existence of the OWWA. Although a basic safety net has been established, its effectiveness varies depending on individual circumstances. In particular, long-term security systems such as income security after retirement remain inadequate, and it is still difficult to disseminate knowledge about the procedures for seafarers. In terms of future developments, it may be necessary to focus on the possibility of complementary measures such as the implementation of a consistent welfare system, strengthening information provision to seafarers, and the introduction of private retirement benefit systems.

E. Anti-harassment measures

Recently, there has been a lot of attention paid to the prevention of harassment on board ships, particularly sexual harassment and bullying. This is a problem that the industry is facing, but in the maritime industry, where the proportion of female seafarers is extremely low, there are concerns about vulnerability due to isolation and the fact that incidents are rarely reported. The international community has already begun to respond to this concerning situation. In fact, the ILO has enacted a convention on violence and harassment in maritime labor, which the Philippines ratified in 2019. The amendments to the MLC 2006, which came into effect in 2016, included guidelines for the prevention of bullying and harassment on board ships.

The Sexual Harassment Prevention Act of 1995 (Republic Act No. 7877) is widely applied in the workplace in the Philippines, but its effectiveness on board ships has been limited. However, the enactment of the Philippine Seafarers' Rights Act of 2024 strengthened the prevention of harassment through comprehensive maritime-related legislation. The law clearly defines seafarers' rights against discrimination and harassment, mandates the inclusion of anti-harassment clauses in employment contracts, and addresses previous concerns about retaliation and legal costs by guaranteeing access to free legal assistance for victims. The law also mandates the formalization of onboard grievance procedures and requires companies to establish mechanisms that allow seafarers to make internal reports and resolve issues without having to disembark.²³ These requirements include multiple reporting channels for dealing with situations involving harassment by supervisors. In response to these developments, the AMOSUP and other labor unions have

²² Primary data collected through interview with representatives at OWWA, Manila, the Philippines, November 2022.

²³ Business World, "Newly Signed IRR Codifies Seafarers' Rights Based on International Standards: Implementation of the Magna Carta of Filipino Seafarers," Business World Forum Section, 8 January 2025.

established a women's committee to promote information sharing and mutual support networks among female seafarers from 2018.

Additionally, major shipping companies have set up their own harassment prevention training and anonymous consultation services. This is because in recent years, bullying and power harassment of male seafarers, as well as female seafarers, has also been seen as a problem. Particularly in workplaces with multinational crews, it is necessary to be careful because conflicts can easily arise due to cultural and linguistic differences. The ITF has reported cases of verbal abuse, excessive criticism, and retaliatory personnel measures against junior crew members. While the English language skills of Filipino seafarers can be an advantage in terms of communication, this can lead to expectations of compliance and unreasonable demands.²⁴ The ILO and ICS recommend that shipping companies maintain clear anti-harassment policies, implement strict disciplinary measures for violations, and provide regular training to seafarers on anti-harassment measures.

IV. Provisions and features of Magna Carta for Filipino seafarers

In order to address the persistent issues concerning the protection of seafarers, the Philippine government enacted the Magna Carta in 2024. This landmark law provides a comprehensive framework for the protection of the rights and welfare of Filipino seafarers. After years of deliberation, the law was officially enacted in September 2024 through the signature of President Ferdinand Marcos Jr. and became Republic Act No. 12021, which took effect on October 11, 2024. The main purpose of this law is to harmonize national laws with international maritime standards, including the Maritime Labour Convention and the STCW Convention, while supporting consistent protection and opportunities throughout the careers of seafarers, from entry to retirement. Furthermore, this law addresses the previously noted deficiencies in the labor dispute resolution mechanism and the framework for protection of rights and has the strategic objective of maintaining and strengthening the Philippines' position as a global maritime labor supplier.

A. Labor protection

The scope of this law covers all Filipino seafarers engaged in international navigation, regardless of the flag of the ship, and applies to all positions onboard from master to culinary staff. This comprehensive framework ensures protection under national law for all Filipino seafarers

²⁴ Primary data collected through interview with representatives at AMOSUP, Manila, the Philippines, November 2022.

engaged in international maritime employment. The Magna Carta sets out national policy priorities such as the protection of seafarers' rights and welfare, the promotion of full and productive employment, and the guarantee of equal opportunities without discrimination based on gender or faith.²⁵ While this law clearly prohibits employment discrimination on the basis of gender or religion, it also ensures political and civil rights, including the right to vote. These provisions reaffirm ILO conventions and constitutional human rights in the maritime sector and establish a legal foundation for dignified working conditions for Filipino seafarers.

Furthermore, the legislation reinforces MLC 2006 standards as domestic law regarding working conditions, including wages, working hours, leave entitlements, and provisions. Specific regulations address minimum wage compliance, payment schedules, work and rest hour standards, annual paid leave, appropriate accommodation and provisions, and travel expense responsibilities. This framework legally guarantees Filipino seafarers conditions meeting or exceeding international standards, empowering Philippine authorities to mandate corrections and impose penalties for violations. Additionally, Seafarer Employment Agreements (hereinafter referred to as SEA) must conform to these legal requirements, addressing contract non-compliance and unfair provisions.

The Magna Carta emphasizes the establishment of procedures for handling complaints by seafarers in Article 59 and requires the implementation of fair, effective, and expeditious on-board and onshore complaint mechanisms that are available to seafarers free of charge. This systematic approach to dispute resolution is a major advance in the protection mechanisms for seafarers. The Magna Carta establishes national policy priorities including seafarer rights and welfare protection, promotion of complete and productive employment, and guarantee of equal opportunities without discrimination based on gender or faith.²⁶

While clearly prohibiting gender-based employment discrimination and religious discrimination, the law also guarantees political and civil rights, including the right to vote. These provisions reaffirm ILO conventions and constitutional human rights in the maritime sector and establish a legal foundation for dignified working conditions for Filipino seafarers. Furthermore, the legislation reinforces MLC 2006 standards as domestic law regarding working conditions, including wages, working hours, leave, and provisions. Specific regulations address minimum wage compliance, payment schedules, work and rest hour standards, annual paid leave, appropriate accommodation and provisions, and travel expense responsibilities. This framework legally

²⁵ L&E Global, "Philippines: The Philippines Enacts Magna Carta for Filipino Seafarers - L&E Global," L&E Global News, 29 October 2024 (accessed 12 December 2024).

²⁶ Ibid.

guarantees Filipino seafarers conditions meeting or exceeding international standards, empowering Philippine authorities to mandate corrections and impose penalties for violations.

The Magna Carta emphasizes the establishment of procedures for handling complaints from seafarers, and requires the implementation of "fair, effective and expeditious on-board and shore-based complaint handling mechanisms" that seafarers can use free of charge. The law also stipulates a tiered dispute resolution process, which includes initial discussions on board, escalation to the shore-based management department or seafarer recruitment agency, and voluntary arbitration based on collective bargaining agreements (hereinafter referred to as CBAs). In the absence of a CBA, mediation and arbitration procedures based on labor law are carried out, and compulsory or voluntary arbitration is carried out as necessary.

In addition, the law directs the DMW and DOLE to establish, in cooperation with the relevant agencies, a group of mediators and arbitrators specializing in the maritime industry to ensure effective dispute resolution. This includes the establishment of a Maritime Labor Special Task Force composed of trained mediators, labor judges, and arbitrators within the DMW, National Labor Relations Commission (hereinafter referred to as NLRC), and the National Mediation and Arbitration Commission. This specialized organization will enable maritime experts to resolve disputes quickly and fairly. In the past, proceedings in ordinary labor courts often took a long time, but the new maritime-specialized department is expected to streamline the process.

B. New rules for the execution of labor dispute judgements

One notable point of the Magna Carta is the new rules regarding the execution of labor court judgments. In the past, in the Philippines, when seafarers won a case at the NLRC and were awarded a large sum of compensation, the practice of immediately executing the judgment even while the shipowner was appealing was seen as a problem.²⁷ From the shipowner's point of view, there is a risk that they will be forced to pay a large amount of money at a stage before the final decision is made, and even if the decision is overturned later, it will be difficult to recover the money, and this was pointed out as a concern about hiring Filipino seafarers. Concurrently, the seafarer community faced challenges with "ambulance chasing," where unscrupulous attorneys encouraged excessive claims seeking substantial compensation. While the Seafarers' Protection

²⁷ Tony Nicholson, "Steamship Mutual - The Magna Carta of Filipino Seafarers," Steamship Mutual Protection and Indemnity Association Publication, 10 October 2024, (accessed 12 December 2024).

Act of 2015 (Republic Act 10706) capped attorney contingency fees at 10%, concerns about induced litigation persisted.²⁸

Articles 59 and 60 of the Magna Carta set out new standards for the immediate enforcement of judgments. The law prioritizes the speedy relief of seafarers by requiring immediate enforcement of undisputed debts, such as wages, statutory benefits, and reimbursement of medical compensation, even during the appeal process. However, with regard to outstanding financial compensation, damages, or court costs, seafarers must deposit a sufficient amount of security with the court as a condition for execution. Under this system, if the seafarer ultimately wins the case, the shipowner will repay the security deposit, but if the seafarer loses the case, the security deposit will be forfeited.

It is explained that this framework is designed to ensure that seafarers receive their just wages and benefits promptly. This guarantee requirement is also intended to curb excessive claims from the seafarer's side. The provision requiring the workier to bear the cost of the bond is unprecedented in labor law, however, it takes into account the situation of Filipino seafarers, which includes excessive litigation risk, and international concerns about excessive legal claims arising from ambush chasing. The law also aims to reduce shipowners' concerns and considers the possibility of supporting the continued employment of Filipino seafarers.

In this regard, the Magna Carta has re-established the maximum contingency fee for lawyers in seafarers' cases at 10%. This reaffirms and strengthens the provisions of the Seafarers' Protection Act of 2015, which prohibits lawyers from intervening in cases where they are in breach of the Act.²⁹ This is expected to prevent the situation where most of the compensation that seafarers should receive is taken by lawyers, and to ensure that seafarers and their families receive appropriate compensation, while also curbing unjust lawsuits and promoting the resolution of disputes in good faith.

C. Procedures for recognizing disability grades and providing sick pay in the event of illness or injury while on board

The Magna Carta extend represents a landmark legislation that comprehensively delineates seafarers' rights and welfare, incorporating specialized provisions for the protection of female maritime professionals. This statute establishes a robust framework addressing the challenges faced by women in seafaring through regulatory oversight of employment agencies, formulation of educational and training standards, development of social security infrastructure, maritime

²⁸ Ibid.

²⁹ Ibid.

accident investigation protocols, compensation mechanisms, and notably guarantees regarding disembarkation rights during pregnancy. These provisions aim to ensure that female seafarers can execute their professional responsibilities within appropriate working conditions that prioritize safety and well-being.

The legislation articulates detailed procedures for addressing illnesses or injuries occurring during professional service. Seafarers possess the explicit right to receive immediate and appropriate medical intervention for injuries sustained aboard vessels or during contractual period, with employers or shipowners bearing the financial responsibility for treatment until its completion, thereby preventing economic burdens from falling upon the seafarers themselves. This approach aligns with the MLC 2006, ensuring that medical expenses do not constitute a financial impediment for seafarers until they have either recuperated sufficiently to resume maritime duties or until their disability status has been definitively assessed. Moreover, treatment continuation following repatriation is recognized within the legal framework, with shipowners and employers bearing the corresponding legal responsibility. This system not only facilitates seafarers' access to appropriate medical services but also guarantee wage disbursement and illness benefits during treatment methods. Additionally, the legislation explicitly extends paid sick leave provisions to cases where seafarers contract illnesses while in transit to embarkation points, functioning as a regulatory mechanism particularly relevant for quarantine measures during public health emergencies such as pandemics.

However, some of the provisions have raised concerns from stakeholders. Particularly the requirement that seafarers deposit funds into an escrow account when they bring a claim related to an occupational accident is a matter of concern. This provision is not found in general labor laws and may impose a significant financial burden on seafarers. Labor unions and human rights organizations have expressed vehement opposition to this requirement, saying that it fundamentally contradicts the principle of protecting workers. In response, the government authorities argue that the design of the regulation reflects a balanced approach within the broader legislative framework, and that the escrow system equitably balances the interests of both employers and seafarers. As such, the Magna Carta seeks to maintain a delicate equilibrium between seafarer rights protection and industry stability, but its effectiveness will need to observe in future operations.

D. Establishment of public-private partnership

In order to ensure the effectiveness of the Magna Carta in addressing the aforementioned issues, it is essential to have the cooperation of industry stakeholders such as shipowners, shipping companies, seafarer recruitment agencies, and labor unions representing seafarers, as well as

government leadership. To achieve this goal, the Philippine government has introduced the tripartite approach recommended by the ILO in the maritime sector and is promoting the establishment of the Tripartite Maritime Advisory Committee (hereinafter referred to as TMAC). In fact, as early as the end of 2022, the Marcos administration had already instructed the DMW to establish an advisory committee with the participation of seafarers' unions, shipowners, the government, and the ILO.³⁰

In accordance with this directive, the DMW led the establishment of the International Advisory Committee on Global Maritime Affairs (hereinafter referred to as IACGMA) which was officially launched in 2023.³¹ This Committee includes international entities such as the European Community Shipowners' Association called ECSA, the ICS, the ITF, and the International Maritime Employers' Council called IMEC. The establishment of IACGMA marked the beginning of an effort to incorporate the expertise of industry, unions and international organizations into policy, with the support of the Philippine government.³²

The TMAC is positioned as a forum for discussing the development of domestic systems as an extension of this initiative. The fundamental purpose of establishing the TMAC is to institutionalize the collaboration between the relevant parties necessary for effectively implementing the various measures outlined in the Magna Carta. Specifically, it is hoped that the TMAC will achieve a balance between legal effectiveness and industrial competitiveness by reflecting the maritime industry's perspective in policy formulation and clarifying issues in the field that government agencies alone cannot fully grasp through input from seafarers' organizations. In addition, by cooperating the "consultation between seafarers, shipowners and governments" required by the MLC 2006 of the ILO into the domestic system, the aim is to bring maritime governance in the Philippines closer to international standards. From these points, it can be seen that TMAC was conceived as an important platform for addressing the two requirements of improving domestic working conditions and complying with international standards.

³⁰ ITF, "Shipping industry, unions welcome action from President Marcos Jr on key seafarer issues | ITF Seafarers," ITF Press Release, 14 December 2022 (accessed 3 March 2025).

³¹ Tony Nicholson, "Steamship Mutual - The Magna Carta of Filipino Seafarers," Steamship Mutual Protection and Indemnity Association Publication, 10 October 2024, (accessed 12 December 2024).

³² Ibid.

V. Magna Carta effects on the Japanese merchant fleet

Today, the shipping industry remains a major component of global trade, with approximately 80% of the world's total trade volume transported by sea. As an island nation, Japan’s economy and daily life are heavily dependent on international trade, as Japan relies on maritime logistics to sustain its industry and consumer market due to geographical constraints and a lack of natural resources. As a result, the shipping industry has become an essential infrastructure for a society and the economy, supporting 99.6% of Japan's total trade volume (see Table 2). The importance of maritime transport in Japan is further enhanced by Japan's role as one of the world's leading ship-owning and ship-operating nations. It goes without saying that in order to maintain the efficiency and competitiveness of the shipping industry that underpins Japanese society, it is necessary to ensure a stable supply of skilled seafarers.

Table 2: The percentage of marine cargo /shipping in Japan's trade (tonnage basis)

Year	Exports		Imports		Total imports and exports	
	Total	Ocean Cargo Volume (%)	Total	Ocean Cargo Volume (%)	Total	Ocean Cargo Volume (%)
2001	108	107(99.0)	775	773(99.8)	883	880(99.7)
2005	136	134(98.8)	817	816(99.8)	953	950(99.6)
2010	158	156(99.0)	761	759(99.8)	919	915(99.6)
2015	171	169(99.0)	780	778(99.8)	950	947(99.6)
2019	161	160(98.9)	740	738(99.7)	901	898(99.6)
2020	152	151(99.1)	667	665(99.7)	819	816(99.6)
2021	157	156(98.8)	703	701(99.7)	860	856(99.5)
2022	154	152(98.9)	700	698(99.7)	853	850(99.6)
2023	145	143(98.9)	658	657(99.7)	803	800(99.6)

Source: Japan Shipowners' Association 2025

Historically, Filipino seafarers have played an important role in the Japanese shipping industry, particularly after the World War II. Initially, Japanese shipping companies mainly employed domestic seafarers, but due to a decline in Japan’s maritime workforce caused by demographic changes and rising labor costs, a shift to the international labor market became inevitable. Filipino seafarers are proficient in English, an important skill in the international shipping industry, which enables them to communicate smoothly with multinational crews and port authorities around the world. Furthermore, Filipino seafarers are also able to adapt to diverse work environments, different cultural backgrounds and demanding working conditions, which

further increases their value to Japanese shipping companies. These factors necessitated a strategic shift to the international maritime labor market, and Filipino seafarers emerged as the preferred candidates due to their advantageous combination of professional qualifications, language skills, and expectations of competitive compensation.

Table 3: Number of Japanese crew members on overseas routes

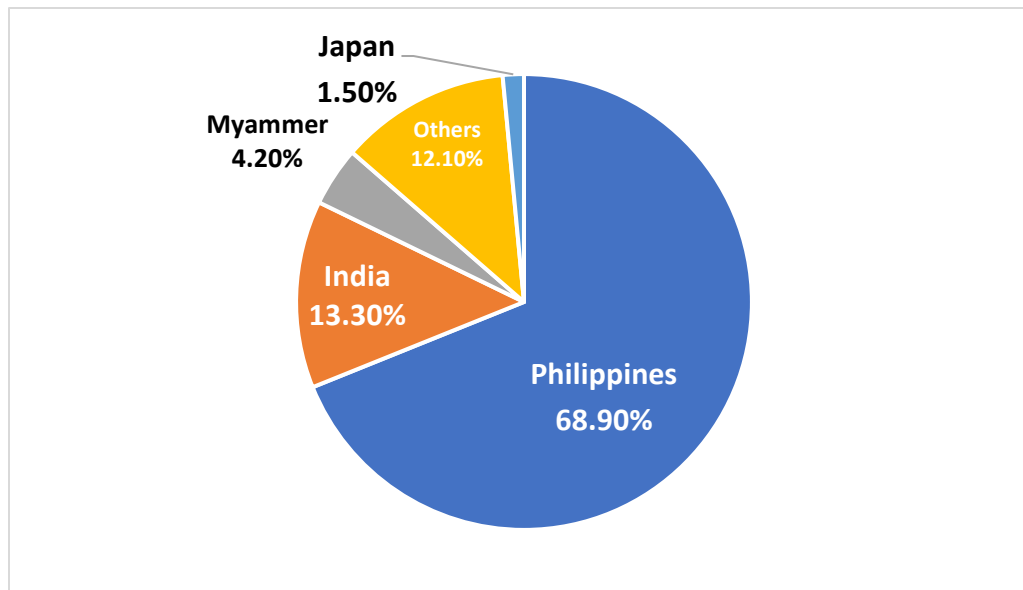
Year	Number of Japanese crew members on overseas routes	Officers	Ratings
1974	56,833	-	-
1980	38,425	-	-
1985	30,013	-	-
1990	10,084	-	-
1995	8,438	5,992	2,446
2000	5,030	3,659	1,371
2005	2,625	2,153	472
2010	2,306	1,834	472
2015	2,237	1,790	447
2020	2,200	1,781	419
2021	2,165	1,767	398
2022	2,062	1,633	429
2023	2,017	1,631	386

Source: Japan Shipowners' Association 2025

In the 1980s, Japan's maritime industry experienced a distinctive structural reform characterized by an accelerated shift towards internationalization of seafarers. This shift was accompanied by a particular preference for the recruitment of Filipino maritime professionals. This transition was accelerated by two interrelated macroeconomic and demographic phenomena that fundamentally changed the operating environment of Japanese shipping companies. First, the rising cost of employing Japanese seafarers, due to rising wages and a declining domestic labor force, made hiring foreign seafarers a more economically viable option. Second, a decline in interest in the maritime industry among the younger generation meant that the industry was no longer able to secure enough Japanese trainees to sustain its operational needs (see Table 3 and Figure 1). These economic and demographic pressures combined to prompt Japanese shipping companies to actively recruit cost-effective and highly skilled Filipino seafarers. As a result,

Filipino seafarers have become an important part of Japan's maritime workforce. Their contribution to the Japanese merchant fleet has helped to not only keep labor costs down, but also to improve the stability and efficiency of operations throughout Japan's maritime sector.

Figure 1: Percentage of seafarers on Japanese merchant ships by nationality



Source: Japan Shipowners' Association 2025

Even today, the utilization of Filipino seafarers remains a major feature of Japan's merchant fleet. In order to ensure a stable supply of skilled personnel who meet the stringent standards required for international shipping operations, the Japanese shipping industry has established long-term partnerships with maritime institutions and training centers in the Philippines. This ongoing collaboration underscores the mutual benefits of Japan and the Philippines in the maritime sector and reinforces the important role of Filipino seafarers in supporting the economic and logistical framework of Japan's international trade network. Many Filipinos now hold executive positions such as captain and chief engineer and play an important role in the operation of Japanese ocean-going vessels. At the 2023 meeting, Junichiro Ikeda, chairman of the Japan Shipowners' Association and chairman of Mitsui O.S.K. Lines, said, “Filipino seafarers are indispensable to the Japanese shipping industry, and we strongly hope to continue to have a stable supply of highly skilled personnel.”³³ In other words, it is not an exaggeration to say that “Japanese ships would not be able to move without Filipinos”.

³³ Philippine Daily Inquirer, “Japan shipowners assure Marcos: We’ll continue to hire PH seafarers | Hellenic Shipping News Worldwide,” PDI Asia & Pacific, 9 February 2023 (accessed 12 December 2024).

The enactment of the Magna Carta in the Philippines has also attracted attention from Japanese shipping companies. Firstly, it is hoped that the strengthening of legal protection for Filipino seafarers will help the Philippines maintain its position as a reliable source of human resources. In particular, the introduction of measures to deal with the issue of litigation, such as the introduction of a cap on legal fees and a system of advance payment of security deposits, will provide reassurance to Japanese shipowners. On the other hand, there is also the possibility of increased costs, such as insurance premiums and procedures in compliance with the Magna Carta. In this regard, the Japan Shipowners' Association has announced a statement saying that it will "continue to employ Filipino seafarers in cooperation with the Philippine government" and has indicated that it generally supports the new law.

In February 2023, President Marcos Jr. visited Japan and met with the Japan Shipowners' Association (hereinafter referred to as JSA) the JSA president clearly stated that "75% of Japanese seafarers are Filipinos on average, and we would like to continue to employ trained Filipino seafarers in the future." He also stated that he hoped that recent reforms, including the Magna Carta, would lead to higher quality seafarer training. This shows that the Japanese side also recognizes that it would be beneficial for their business if they could secure a certain quality and number of Filipino seafarers.

According to interviews with Japanese shipping companies, at present there are not many that are planning to significantly increase the number of foreign replacements.³⁴ Some companies are securing seafarers not only from the Philippines, but also from India and Eastern Europe, however, there is no other country with a supply network as large and stable as the Philippines. For this reason, it is thought that the situation where Japanese shipping companies have to rely on Filipino seafarers will continue for at least the next ten years. On the other hand, in the long term, there are a number of initiatives underway to rebuild the training of seafarers in Japan, and efforts to increase the ratio of Japanese seafarers are being made continuously. In addition, there are also an increasing number of hybrid fleets where Filipino and Japanese seafarers work together on board, and there are also attempts being made to achieve safe navigation while sharing each other's skills and knowledge. In the training of Japanese seafarers, there are also cases where the experience and skills of Filipino seafarers are useful, and there are also cases where Filipino seafarers serve as instructors on training ships. This kind of cooperative relationship is extremely beneficial for Japanese shipping, and it is expected that the presence of Filipino seafarers will continue to increase in the future.

³⁴ Primary data collected through interview with executive representatives at Kawasaki Kisen Co, Ltd. ("K" Line), Tokyo, Japan, July 2019.

In other words, Filipino seafarers are indispensable partners for Japan's merchant fleet. For example, if there are changes in the situation in the Philippines, such as a large number of people leaving their jobs or a drain of talent to other countries, this will have a direct impact on Japanese shipping. For this reason, the Japanese shipping industry has been paying attention to the Philippines' seafarer policy and has continued to provide support as necessary. The cooperation between the two countries in the field of shipping is particularly close, and the success of Filipino seafarers is directly linked to the competitiveness of Japanese shipping.

VI. Concluding note

This paper conducted a comprehensive survey of the working conditions of Filipino seafarers, structural challenges, and possibilities for improvement, while examining the significance and impact of the Magna Carta for Filipino seafarers (Republic Act No. 12021) enacted in 2024. Filipino seafarers who play an essential role in international shipping, have long been compelled to work under exploitative contractual arrangements and inadequate working conditions. However, the enactment of this law addresses these circumstances by rectifying institutional deficiencies in dispute resolution mechanisms, welfare systems, and labor conditions, while establishing a comprehensive legal framework aligned with international maritime labor standards.

A central feature of this legislation lies in its restructuring of the power dynamics between seafarers and employers toward greater equilibrium. Notably, the law introduces a tripartite governance structure aimed at establishing collaborative governance among diverse stakeholders, including government regulatory agencies, maritime industry representatives, and labor unions. The tripartite maritime advisory council, established to symbolize this approach, is a landmark institution in the maritime labor policy of the Philippines. This council facilitates cooperation among government, shipping industry and labor union representatives to enhance seafarers' working condition, improve welfare provisions, and develop and oversee policy. As a result, the policy formation process has shifted from the traditional process, which was centered on government-led or bilateral negotiations between labor and management, to a more transparent and equitable multi-stakeholder consultative framework.

Furthermore, the legislation introduces three innovative mechanisms: an independent medical assessment system to ensure diagnostic objectivity, established standards for legal intervention in litigation proceedings, and strengthened mediation and arbitration systems to facilitate expeditious dispute resolution. These mechanisms transcend the conventional dispute

resolution model that relied on bilateral negotiations between shipowners and seafarers, promoting a transition toward a more multilayered and collaborative governance structure.

Nevertheless, whether this legislation will truly transform the maritime industry depends on its effective implementation. With the Implementing Rules and Regulations approved in early 2025 and full implementation of the law commencing, appropriate management and rigorous oversight by Philippine authorities are essential to ensure policy sustainability. Additionally, stakeholders including shipowners, manning agencies, and labor unions must actively engage and cooperate in implementing the law. Moreover, support from major maritime nations, including Japan plays a crucial role in ensuring the effectiveness of these legal reforms and contributing to the enhancement of labor standards across the international maritime labor market.

The evolution of working conditions and legal protections for Filipino seafarers, and the potential for reform brought about by the Magna Carta represent significant developments in maritime labor governance. However, continuous policy evaluation and international support are indispensable to ensure the sustainability of these institutional reforms. As the world’s largest supplier of seafarers, the Philippines play a significant role in the evolution of maritime labor policies and its regulatory success could potentially serve as a pioneering model for the broader international shipping industry. Continued observation of the implementation of these laws and rigorous empirical assessment of improvements in working condition will be essential to consider the long-term effectiveness of these reforms and their impact on seafarer welfare.

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