

News Release  
June 9, 2015

## **POEA cancels license of manning agency over placement fee**

Administrator Hans Leo J. Cacdac has ordered the cancellation of the license of Mid-South Ship and Crew Management, Inc. for collecting placement fees from two seafarers.

The cancellation arose from the complaints of two jobseekers who alleged that they applied with Mid-South Ship and Crew Management, Inc. and was assured employment as fishermen for a Taiwan-based fishing vessel. They paid placement fee of P30,000 and P60,000, respectively, but they were not issued corresponding official receipts.

The fishermen allegedly signed employment contracts with duration of two years for a monthly salary of US\$250.00. They were subsequently deployed but returned to the country after working for three and a half months, complaining of maltreatment and unpaid salaries.

Cacdac said there is total prohibition on the charging or collecting placement fees from seafarers. Any amount charged and collected by the said agency is illegal and deemed excessive.

Section 2 (a) of Rule II, Part V of the 2003 POEA Rules and Regulations Governing the Recruitment and Employment of Seafarers prohibits manning agencies from charging, imposing, or accepting directly or indirectly, any amount of money, goods or services, or any fee or bond for any purpose from an applicant seafarer.

Cacdac said that as a consequence of the penalty of cancellation of license, the officers and directors of the agency at the time of the commission of the offenses were disqualified from recruitment and deployment of overseas Filipino workers.

Cacdac also ordered Mid-South Ship and Crew Management, Inc. and its surety company to refund to the complainants the amounts representing the fees illegally collected from them.

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