

**[PPA MEMORANDUM CIRCULAR NO. 05-95,
January 31, 1995]**

CARGO HANDLING RATE INCREASES

Pursuant to PPA Board Resolution No. 1429 dated November 23, 1994, which granted increases to cargo handling rates of qualified cargo handling operators nationwide, with the exception of Manila South Harbor and Manila International Container Terminal, and in order to ensure the proper implementation of the same, the following guidelines are hereby issued.

1

General Guidelines

1.1 Rate increases shall be granted to qualified cargo handlers provided such increases shall not go beyond ten percent (10%) of the existing cargo handling rates.

1.2 The rate increases are basically to offset the effects of the latest adjustments in minimum wages as authorized by Regional Wage Orders issued by respective Regional Tripartite Wage and Productivity Boards.

1.3 Only cargo handlers who have complied with the requirement on the uniform chart of account (UCA) and who have applied for rate adjustments shall be qualified for the rate increases.

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Port Labor Trust Fund

2.1 A Trust for Laborers shall be put up by the cargo handling companies within thirty (30) days after the effectivity of the rate increases. Funding of this trust fund shall be taken from the total effective increase in revenue arising from these rate increases. However, this requirement shall not apply to those who have complied with the existing cargo handling contract provision on port labor trust fund, provided that the same has been acceptable to PPA.

2.2 The Trust Fund shall be used only to finance the benefit of laborers who resign/retire or have been retrenched or whose services have been terminated due to changes in cargo handling contractors. The laborers shall be entitled to at least the minimum benefits as provided for under the labor code.

2.3 The Trust Fund shall be deposited in escrow with a bank acceptable to PPA, and shall not be withdrawn without the concurrence of the Authority through the Port