[MIA MEMORANDUM CIRCULAR NO. 57, October 21, 1990]

IMPLEMENTING GUIDELINES ON THE RATE INCREASE AND CHANGES IN LEVEL AND STRUCTURE

Pursuant to the Order of the Maritime Industry Board dated 25 October 1990 authorizing an increase in passage and freight rates and providing for changes in the level and structure of interisland liner shipping rates, the following guidelines in implementation thereof are hereby promulgated:

1. Coverage — The following rules and regulations shall apply to all interisland liner service operators:

1.1 The surcharge of .3/10% of the declared value of the commodity is hereby abolished. Henceforth, all commodities are to be charged the corresponding class rate on a weight or volume basis only, whichever is higher.

1.2 The rates for the following cargoes: refrigerated, transit, and livestock, are deregulated. For purposes of rate computation, the following are considered BASIC commodities: rice, palay, corn, corngrits, fruits and vegetables.

2. Only member-companies of the Conference of Interisland Shipowners and Operators and any other operators who have filed applications for rate increase by paying the corresponding filing fee and issued the corresponding Order therefor are authorized to implement the following structure/system and schedule of rates subject to the following conditions:

2.1 Rate structure/system both for passage and freight

A fork tariff system both for passage and freight shall be adopted only by those authorized under paragraph 2 hereof. The new rate, as specified herein, as the indicative or base rate; plus 5% of the base rate as the upper limit (maximum) and minus 5%, as the lower limit (minimum), shall be allowed to be charged.

2.2 Passage Rates

Distance in Nautical Miles	First Class	Second Class	Per Passenger Third Class

	Minimum	Base	Maximum
0 – 100 Unregulated	0.9485 x dist.	0.9984 x dist.	1.0483 x dist.
101 – 300 Unregulated	0.8714 x dist.	0.9173 x dist.	0.9631 x dist.
301 – over Unregulated	0.7946 x dist.	0.8364 x dist.	0.8782 x dist.

CONDITIONS

a.   A minimum of 50% of the authorized (passenger) capcity of the vessel shall be allocated and maintained as Third Class accommodation.

b.   The service standards prescribed by the Inter-Island Passenger Service Standards Project for First, Second and Third class accommodations are hereby adopted and made part hereof.

c.   The passage rates to be prescribed for distances greater than the upper limits of the distances categories, i.e., 100 and 300 nautical miles, shall in no case be lower than the rates for shorter distances (in a lower distance category).

2.3   Freight Rates

Class A

Class B

Distance in N.M.	Minimum	Base	Maximum	Minimum	Base	Maximum
0 — 100	95.1321 + (.7192 x dist.)	100.1391 + (.7570 x dist.)	105.1461 + (.7948 x dist.)	76.1425 + (.5752 x dist.)	80.1500 + (.6055) x dist.)	84.1575 + (.6358 x dist.)
101 — 300	78.3548 + (.6711 x dist.)	82.4788 + (.7064 x dist.)	86.6027 + (.7417 x dist.)	62.6840 + (.5366 x dist.)	65.9831 + (.5649 x dist.)	69.2823 + (.5931 x dist.)
300 — over	61.5777 + (.6232 x dist.)	64.8186 + (.6560 x dist.)	68.0596 + (.6888 x dist.)	49.2810 + (.4977 x dist.)	51.8748 + (.5239 x dist.)	54.4685 + (.5501 x dist.)

Class C   Class C (BASIC)

Distance in N.M.	Minimum	Base	Maximum	Minimum	Base	Maximum
0 — 100	61.8484 + (.4682 x dist.)	65.1036 + (.4929 x dist.)	68.3588 + (.5175 x dist.)	54.9764 + (.4162 x dist.)	57.8699 + (.4381 x dist.)	60.7634 + (.4600 x dist.)
101 —	50.9442	53.6255	56.3068	45.2838	47.6671	50.0505