NATIONAL ADMINISTRATIVE REGISTER · JUNE 5, 1997

DOLE RULES AND REGULATIONS GOVERNING PRIVATE RECRUITMENT AND PLACEMENT AGENCY FOR LOCAL EMPLOYMENT, June 05, 1997

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By virtue of the authority vested in the Secretary of Labor and Employment under Article 25 of the Labor Code of the Philippines, as amended, the following revised rules and regulations are hereby promulgated to govern and regulate the activities of all individuals and entities engaged in the recruitment and placement of persons for local employment.

RULE IDEFINITION OF TERMS

SECTION 1. Definition of Terms.

a. Department — refers to the Department of Labor and Employment.
b. Secretary — refers to the Secretary of Labor and Employment.
c. Bureau — refers to the Bureau of Local Employment.
d. Regional Office — refers to the Regional Offices of the Department.
e. District/Provincial Office — refers to the extension offices of the Department.
f. Regional Director — refers to the Director of the Regional Office.
g. Private Recruitment and Placement Agency (PRPA) or Agency — refers to any individual, partnership, corporation or entity engaged in the recruitment and placement of persons for local employment.
h. PRPA Branch — refers to any extension office of a licensed PRPA.
i. Representative — refers to a person acting as an agent of a licensed PRPA registered with the Regional Office and granted Authority in the recruitment of persons for local employment.
j. Recruitment and Placement — refers to any act of canvassing, enlisting, contracting, transporting, utilizing, hiring or procuring workers, and includes referrals, contract services, promising or advertising for local employment, whether for profit or not; provided, that any person or entity which in any manner, offers or promises employment for a fee, to two or more persons shall be deemed engaged in recruitment and placement.
k. Recruit — refers to any individual promised, contracted, or enlisted for employment for a fee.
l. License — refers to the certificate issued by the Department authorizing an individual, partnership, corporation, or entity to operate private recruitment and placement agency.
m. Authority to Operate Branch Office — refers to the document granted by the Department authorizing the licensed PRPA to establish and operate a branch office.
n. Authority to Recruit — refers to the document granted by the Regional Office authorizing a person to conduct recruitment in the region.
o. Licensee — refers to any person or entity duly licensed and authorized by the Department to operate a private recruitment and placement agency.
p. Recruitment Contract — refers to the agreement entered into between a licensed PRPA of its authorized

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representative and a recruit stating clearly the terms and conditions of the recruitment in a language known and understood by the recruit.
q. Employment Contract — refers to the agreement entered into between the employer and a recruit stating clearly the terms and conditions of the employment in a language known and understood by the recruit.
r. Placement Fee — refers to the amount charged by a PRPA from a recruit as payment for placement services.
s. Service Fee — refers to the amount charged by a PRPA from an employer as payment for employment services.

RULE II

APPLICATION/RENEWAL OF LICENSE OF PRIVATE RECRUITMENT AND PLACEMENT AGENCY

SECTION 2. Qualifications.

An applicant for a license to operate a private recruitment and placement agency must possess the following:

a. Must be a Filipino citizen, if single proprietorship. In case of a partnership or a corporation, at least seventy-five percent (75%) of the authorized capital stock must be owned and controlled by Filipino citizens;

b. Must have a minimum networth of P200,000.00 in the case of single proprietorship and partnership or a minimum paid-up capital of P500,000.00 in the case of a corporation;

c. The owner, partners or the officers of the corporation must be of good moral character and not otherwise disqualified by law;

d. Must have an office space with a minimum floor area of fifty (50) square meters.
SECTION 3. Place to File Application. Application for license shall be filed with the Regional Office having jurisdiction over the place where the applicant wishes to establish its main office.
SECTION 4. Recruitment for Application. The applicant for a license shall submit a duly accomplished application form, and in support thereof, the following requirements:

a. A filing fee of Five Hundred Pesos (P500.00); if single proprietor; and P2,000.00 if corporation or partnership;

b. Certified copy of the Certificate of Registration of firm or business name from the Department of Trade and Industry (DTI), in the case of a single proprietorship or a certified copy of the Articles of Partnership or Incorporation duly registered with the Securities and Exchange Commission (SEC), in the case of partnership or corporation;

c. A sworn statement of assets and liabilities and/or duly audited financial statement, as the case may be;

d. Owner's certificate/title of office location or contract of lease of office space for at least two (2) years

e. NBI clearance of the applicant, or the partners in the case of partnership or all the officers and members of the Board of Directors, in the case of corporation;

f. Income Tax Returns for the last two (2) years;

g. A verified undertaking that the applicant shall:

(1) not engage in the recruitment of children below 15 years of age or place children below 18 years old in hazardous occupation in accordance with Republic Act No. 7610 as amended by Republic Act 7658 and other related laws; and

(2) assume full responsibility for all claims and liabilities which may arise in connection with the use of license;

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h. Organizational structure and list of all officers and personnel with their respective bio-data, two (2) passport-size ID pictures and a detailed description of their duties and responsibilities; and

i. Specific address and location map of the Office/proposed office

j. List of all authorized representatives, if any, who must be at least high school graduate, with their corresponding bio-data, two (2) passport-size ID pictures, high school diploma or other proof of educational attainment duly authenticated, NBI clearance and Special Power of Attorney (SPA).

No application shall be accepted, unless all the requirements have been complied with.
SECTION 5. Action of the Application.

a. Upon receipt of the application, the Regional Director or his duly authorized representative shall evaluate the documents submitted and conduct an ocular inspection of the applicant's office;

b. Within fifteen (15) working days after the ocular inspection, the Regional Director shall act on the application, and immediately notify the applicant of the action taken; and

c. Application which do not meet the requirements set forth in these rules shall be denied.
SECTION 6. Posting of Cash and Surety Bonds and Payment of License Fee. Prior to the approval of the license, the applicant shall post cash surety bonds of Twenty-Five Thousand Pesos (P25,000.00) and One Hundred Thousand Pesos (P100,000.00) respectively, valid for two (2) years and then pay a license fee of Five Thousand Pesos (P5,000.00). The bond shall answer for all valid and legal claims arising from the illegal use of the license and shall likewise guarantee compliance with the provisions of the Labor Code and its Implementing Rules.

In case of loss of license, the licensee shall pay Five Hundred Pesos (P500.00) as payment for the issuance of a certified copy of the license upon presentation of proof of loss.

SECTION 7. Publication. The Agency shall publish once in a newspaper of general circulation the license number of the agency, names and pictures of authorized representatives within fifteen (15) days from the issuance of the license and shall submit a copy of said publication to the Department.
SECTION 8. Validity of the License. The license shall be valid all over the Philippines for two (2) years from the date of issuance, upon submission of proof of publication unless sooner suspended, cancelled or revoked by the Regional Director.

SECTION 9. Non-transferability. No license shall be transferred, conveyed or assigned to any other person or entity.
SECTION 10. Display of License. The original license or a copy shall be displayed conspicuously at all times in the office premises of the PRPA.

SECTION 11. Renewal of License. An application for renewal of license shall be filed not later than thirty (30) days before expiration of the same. No agency shall be allowed to renew its license if it has been convicted by the regular courts for violation of the Labor Code, as amended, and its implementing Rules, or if its license has been previously revoked.

SECTION 12. Requirements for Renewal. The Agency shall submit its existing license together with the requirements specified in Section 4 of these Rules.

SECTION 13. Change of Ownership. Any Agency which desires to transfer ownership shall surrender its license to the issuing Regional Office.

SECTION 14. Change of Business Address. An Agency which desires to transfer to a new business address shall

notify the Regional Office which issued the license at least thirty (30) working days prior to the intended date of transfer. It shall likewise notify the Regional Office which has jurisdiction over the new business address and submit a sketch of the new office and a copy of the contract of lease, if any.

RULE III

GRANTING/RENEWAL OF AUTHORITY TO RECRUIT, RECRUITMENT PROCEDURE, PLACEMENT AND OTHER RELATED ACTIVITIES

SECTION 15. Authority to Recruit. A licensed Agency or its authorized representative shall secure an authority to recruit from the Regional Office having jurisdiction over the place where recruitment activities will be undertaken. Such authority shall be co-terminus with the license unless sooner revoked/cancelled by the issuing Regional Office or terminated by the Agency.
SECTION 16. Documents Required. The following documents shall be submitted by the applicant/agency for the issuance/renewal of an Authority to Recruit:

a. Letter request by the agency;

b. Copy of current license;

c. Certification under oath of licensee of the proposed recruitment activities of the representative;

d. NBI clearance and bio-data of the representative with two (2) ID Pictures;

e. Clearance from previous agency, if applicable; and

f. Previous authority to Recruit, in case of renewal.

No application shall be accepted unless all the requirements have been complied with.
SECTION 17. Action on the Application for the Issuance/Renewal of an Authority to Recruit.

a. Within ten (10) working days from receipt of complete documents, the Regional Director shall act on the application;

b. In case of denial, the Regional Director shall state the reasons for denial;

A new application/renewal may be denied on any of the following grounds:

— non compliance with the requirements;

— applicants' record of unresolved illegal recruitment case; or

— presence of any pending case against the applicant and/or the agency

c. Upon approval of application/renewal, the applicant shall pay a fee of P1,000.00 to the Regional Office concerned.
SECTION 18. Recruitment by Representative. Only representatives duly authorized to recruit and whose names are registered with the Regional Office can engage in recruitment activities.
SECTION 19. Termination of Authority of Representatives. The authority of representatives may be revoked or terminated by the Agency or cancelled by the issuing Regional Office.

The Agency shall publish in a newspaper of general circulation the names and pictures of representatives whose authority has been revoked or terminated and the Regional Office shall be furnished a copy of said publication.

The Regional Office shall keep a record of the authorities issued, revoked or terminated and furnish copy to the

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Bureau.

SECTION 20. Steps to be followed in the Recruitment of Persons. The following procedures shall be followed by the licensed Agency or its duly authorized representative in the recruitment of persons:

a. The Agency or its duly authorized representative shall present to the PESO, Provincial and District Office where the recruitment activity is to be undertaken, copy of existing license, and original copy of authority to recruit issued by the Regional Office concerned.

b. The representative shall require the recruit to submit a copy each of the following:

(1) birth certificate from the local civil registrar; and

(2) medical certificate issued by a government physician or by a reputable private medical practitioner.

c. The Agency or its authorized representative and the recruit shall enter into a recruitment contract, duly notarized a copy of which shall be submitted to the Regional Office where recruitment activity was undertaken.

d. The Agency or its duly authorized representatives shall submit a list of the names and addresses of its recruits, together with copy of documents specified in procedure (b) above, to the Regional Office or the appropriate Provincial/District Office where recruitment was undertaken for appropriate authentication and validation; and copies of these documents shall be furnished to the Regional Office of destination of the recruit.

e. After the recruitment activity, the Regional Office of origin shall issue a certification to the Agency or its duly authorized representative that the recruitment activity has been in accordance with this Rule, copy furnished the Marine Police / Coast Guard / Philippine National Police, as the case may be.

f. Provide the recruit with a stamped envelope and form indicating the name, address of recruit and the name, address, telephone number of his/her employer to be send to the parent.

g. Prior to deployment the Regional Office of origin shall notify the Regional Office of destination of the arrival of the recruits, and the latter shall see to it that the terms and conditions of the recruitment contract are followed strictly.

SECTION 21. Replacement of Worker Without Cost An employer shall be entitled to replace a worker without additional cost only once, within one (1) month from the first day the worker reported for work, on any of the following grounds:

a. The worker is found to be suffering from an incurable or contagious disease as certified by a competent physician;

b. The worker is physically or mentally incapable of discharging the minimum normal requirements of the job, as specified in the employment contract; or

c. The worker abandons the job, voluntarily resigns, commits theft or any other act prejudicial to the employer.

SECTION 22. Refund of Service Fee The employer is entitled to a refund of seventy five (75%) percent of the service fee if the Agency failed to provide a replacement after a lapse of one (1) month from receipt of the request for the replacement based on any of the grounds enumerated in the preceding Section.

SECTION 23. Forfeiture of Rights. The employer is deemed to have forfeited his right for a replacement without cost or refund of the service fee, if he failed to avail of the same within one (1) month from the date of engagement of the worker.

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RULE IV

ESTABLISHMENT OF BRANCH OFFICE/RENEWAL OF AUTHORITY TO OPERATE BRANCH OFFICE

SECTION 24. Establishment of Branch Office. The application to establish a branch office shall be filed with the Regional Office having jurisdiction over the place where the branch office is to be established.
SECTION 25. Requirements. A licensee who desires to establish a branch office shall submit the following requirements:

a. Filing fee of Five Hundred Pesos (P500.00);

b. Certified copy of the current license

c. Organizational structure of the branch office, including duly notarized appointments

d. NBI clearance, bio-data and two (2) passport-size ID pictures of the branch manager and staff members;

e. Certification that the branch office has office space with a minimum floor area of fifty (50) square meters;

f. Certification that the licensee has no pending case with the Regional Office issuing the license or where it has established branch office; and

g. List of all authorized representatives, if any, who must be at least high school graduate, with their corresponding bio-data, two (2) passport-size ID pictures, high school diploma or other proof of educational attainment, NBI clearance and Special Power of Attorney (SPA) issued by the licensee.

No application shall be accepted, unless all the requirements have been complied with.

SECTION 26. Action of the Application.

a. Upon receipt of the application, the Regional Director or his duly authorized representative shall evaluate the documents submitted and conduct an ocular inspection of the PRPA branch.

b. Within fifteen (15) working days from the date of filing, the Regional Director shall either deny or approve the application and immediately notify the applicant of the action taken.
SECTION 27. Posting of Additional Surety Bond and Payment of Registration Fee. Prior to approval of the authority to establish a branch office, the licensee/applicant shall post an additional surety bond of Fifty Thousand Pesos (P50,000.00) and pay a registration fee of Two Thousand Pesos (P2,000.00).

In case of loss, the licensee shall pay Five Hundred Pesos (P500.00) as payment for the issuance of a certified copy of the authority upon presentation of proof of loss.

SECTION 28. Validity of the Authority. The authority to operate branch office shall be co-terminus with the validity of the license of the Agency subject for renewal upon submission of the original authority and requirements provided for under Section 25 hereof as well as the original authority.

RULE V

PLACEMENT FEE, SERVICE FEE, AND OTHER CHARGES

SECTION 29. Placement Fee. A licensed PRPA may charge workers a placement fee which shall not exceed twenty percent (20%) of the worker's first month's basic salary; in no case shall such fee be charged prior to the actual commencement of employment.
SECTION 30. Service Fee. A licensed PRPA may charge employers a service fee which shall not exceed twenty

percent (20%) of the annual basic salary of the worker. In no case shall the service fee be deducted from the worker's salary.

SECTION 31. Transportation. Transportation expenses of the worker from the place of origin to the place of work shall be charged against the employer and shall in no case be deducted from the worker's salary.

SECTION 32. Issuance of Official Receipt. All payments made or fees collected by a licensed Agency shall be covered by an official receipt indicating the amount paid and the purpose of such payment.

RULE VI

SUSPENSION, REVOCATION/CANCELLATION OF LICENSE

SECTION 33. Grounds for Suspension of a License. Any of the following shall constitute a ground for suspension of a license:

a. violation of any of the provisions of Sections 7, 13 or 14 of these Rules;

b. violation of Department Order No. 21, series of 1994 regarding publication job vacancies;

c. non-issuance of official receipt for every fee collected;

d. non-submission of monthly report as provided in Section 61 of these Rules;

e. charging or accepting directly or indirectly, any amount in excess of what is prescribed by these Rules;

f. disregard of lawful orders and notices issued by the Secretary or his duly authorized representative; or

g. non-observance of the procedures on recruitment as stated in Section 20 of these Rules.

SECTION 34. Grounds for Cancellation / Revocation of a License. Any of the following shall constitute a ground for the cancellation / revocation of license:

a. violation/s of the conditions of license;

b. engaging an act or acts of misrepresentation for the purpose of securing a license or renewal thereof;

c. continuous operation despite due notice that the license has expired; or

d. incurring two (2) suspensions by a PRPA based on final and executory orders;

e. engaging in labor-only contracting as defined in Article 106 of the Labor Code, as amended;

f. recruitment and placement of workers in violation of Republic Act No. 7610 as amended by Republic Act No. 7658;

g. transferring, conveying or assigning of license / authority to any person or entity other than the one in whose favor it was issued;

h. violation of any of the provisions, particularly, Article 34 of the Labor Code, as amended, and its implementing Rules and Regulations.

SECTION 35. Table of Penalties and Fines. The commission of any of the aforecited grounds for suspension, cancellation/ revocation shall merit imposition of fine and penalties provided in the herein Table of Penalties and Fines.

Violations - Penalties and Fines

Grounds for Suspension of License

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a. violation of any of the provision of Sections7, 13 or 14 of these Rules - 3 months suspension and fine of P5,000

b. violation of Department Order No. 21 series of1994 regarding publication of job vacancies- 3 months suspension and fine of P5,000

c. non-issuance of official receipt for every fee collected- 3 months suspension and fine of P5,000

d. non-submission of monthly report as provided in Section 61 of these Rules- 3 months suspension and fine of P5,000

e. charging or accepting directly or indirectly, any amount in excess of what is prescribed by these Rules 3 months suspension and fine of P5,000

f. disregard of lawful orders and notices issued by the Secretary or his duly authorized representative- 3 months suspension and fine of P5,000

g. non-observance of the procedures on recruitment as stated in Section 20 of these Rules- 3 months suspension and fine of P5,000

Violations Penalties and Fines

Grounds for Cancellation of License

a.violation/s of the conditions of license cancellation of license and fine of P10,000

b. engaging an act or acts of misrepresentation for the purpose of securing a license or renewal thereof cancellation of license and fine of P10,000

c.continuous operation despite due notice that the license has expired cancellation of license and fine of P10,000

d. incurring two (2) suspensions by a PRPA based on final and executory orders cancellation of license and fine of P10,000

e. engaging in labor-only contracting as defined in Article 106 of the Labor Code, as amended
cancellation of license and fine of P10,000

f. recruitment and placement of workers in violation of Republic Act No. 7610 as amended by Republic Act No. 7658 cancellation of license and fine of P10,000

g. transferring, conveying or assigning the license/ authority to any person or entity other than the one in whose favor it was issued cancellation of license and fine of P10,000

h. violation of any of the provisions, particularly, Article 34 of the Labor Code, as amended, its implementing Rules and Regulations cancellation of license and fine of P10,000

The Agency is jointly and severally liable to any violation or illegal act committed by its branch.

RULE VII

HEARING AND DISPOSITION OF RECRUITMENT VIOLATION AND RELATED CASES

SECTION 36. Complaints Against Agency. Complaints based on any of the grounds enumerated under the previous Sections against and licensee/and or the authorized representative/s shall be filed in writing and under oath with the Regional/District/Provincial Office having jurisdiction over the place where the PRPA/Branch Office is located, or where the prohibited act was committed, or at complainant's place of residence, at the option

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of the complainant; provided, that the Regional Office which first acquire jurisdiction over the case shall do so to the exclusion of the others.

SECTION 37. Caption and Title. The complaint shall be filed in accordance with the following caption:

Republic of the Philippines
Department of Labor and Employment
Regional Office No.

_____

Province/District

In the Matter of Violation of Recruitment Rules and Regulations/Pertinent Regulations Implementing the Labor Code, as Amended

— versus — RO Case No. PRPA yr/mo/no. R/

Respondent/s.

x----------x

SECTION 38. Contents of Complaint. All complaints shall be under oath to be administered by any officer authorized by law and must contain, among others the following:

a. The name/s and address/es of the complainant/s;

b. The name/s and address/es of the respondent/s;

c. The nature of the complaint;

d. The substance, cause/grounds of the complaint;

e. When and Where the action complained of happened;

f. The amount of claim, if any; and

g. The relief/s sought.

All pertinent papers or documents in support of the complaint must be attached whenever possible.

SECTION 39. Docket and Assignment of Cases. Complaints duly received shall be docketed and numbered and shall be scheduled for hearing within ten (10) working days.

SECTION 40. Answer/Counter-Affidavit. Upon receipt of the complaint, the Regional Director shall issue show cause order directing the respondent/s to file a verified Answer/Counter Affidavit within ten (10) working days and copy furnished the complaint/s and not a Motion to Dismiss, incorporating therein all pertinent documents in support of its defense, and attaching thereto proof of service of a copy thereof upon the complaint/s. The answer shall be deemed filed on the date of receipt stamped thereon, if filed personally, or on the date indicated in the registry receipt, if filed by registered mail.

SECTION 41. Motion for Extension. Only one motion for extension of time to file answer shall be allowed. The Regional Director, upon receipt of such motion may, upon meritorious grounds, grant a non-extendible period not exceeding ten (10) working days. Ruling of the Regional Director on motions for extension shall be sent by personal service or by registered mail.

SECTION 42. Failure to File Answer. Failure to file an answer/counter affidavit will constitute a waiver on the part of the respondent.

SECTION 43. Service of Subpoena Duces Tecum and Subpoena Ad Testificandum. The Regional Director shall issue sub-poena or sub-poena duces tecum.

The process server who personally served the subpoena duces tecum and/or subpoena ad testificandum, notice, order, resolution or decision shall submit his return within five (5) working days from the date of his service thereof, stating legibly in his return his name, the mode/s of service, the name/s of the other person/s served and the date/s of receipt. If no service was effected, the serving officer shall state the reason therefor. The return shall from part of the records of the case.

SECTION 44. Failure or Refusal to Obey Subpoena Duces Tecum and Subpoena Ad Testificandum. The license of an agency ,who fails or refuses to obey the subpoena duces tecum/subpoena ad testificandum, shall be suspended until compliance of the directive of the Regional Director.

This is without prejudice to the outcome of the investigation wherein the proper penalty may be imposed.

SECTION 45. Proof and Completeness of Service. The return is prima facie proof of the facts stated therein. Service by registered mail is completed upon receipt of the addressee or agent; but if the addressee or agent fails to claim his mail from the post office within five (5) working days from date of last notice of the postmaster, service shall take effect after such time.

SECTION 46. Authority to Initiate Clarifying Questions. At any stage of the proceedings and prior to the submission by the parties of the case for resolution, the Regional Office may initiate clarificatory question to further elicit facts or information, including but not limited to the subpoena of relevant documentary evidence.

SECTION 47. Summary Judgment. Should the Regional Director find upon consideration of the answers, counter-affidavits and evidence submitted, that resolution/decision may be rendered thereon, the case shall be deemed submitted for decision.

SECTION 48. Nature of Proceedings. The proceedings before the Regional Office shall be non-litigious in nature. Subject to the requirements of due process, the technicalities of and procedure and rules obtaining in the courts of law shall not strictly apply thereto. The Regional Director may avail himself of all reasonable means to ascertain the facts of the case, including ocular inspection, where appropriate, and examination of informed persons.

SECTION 49. Effects of Withdrawal/Desistance. The withdrawal/desistance of the complaining witness shall not bar the Regional Office from proceeding with the investigation on recruitment violation/s. The Regional Office shall act on the case as may be merited by the results of the investigation and impose such penalties on the erring Agency as may be deemed appropriate.

SECTION 50. Effects of Settlement. At any stage of the proceedings, the parties may submit a Compromise Agreement subject to the approval of the Regional Office.

SECTION 51. Resolution of the Case. The conduct of hearings shall be terminated within fifteen (15) working days from the first scheduled hearing. The Regional Director shall resolve the case within ten (10) working days from the time the case is deemed submitted for decision.

SECTION 52. Suspension of License Pending Investigation. Pending investigation of a complaint leading to the cancellation/revocation of license, the Regional Director, who is hearing the case, may suspend the license of the PRPA concerned on any of the following grounds:

a. There exist reasonable grounds to believe that the continued operation of the Agency will lead to further violation or exploitation of the workers being recruited;

b. Failure of the licensed PRPA to submit its Position Paper/Answer on the complaint within the prescribed period;

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c. Failure to attend the hearing despite due notice called by the Regional Office;

d. Failure or refusal to obey subpoena duces tecum and subpoena ad testificandum issued by the Regional Director; and

e. Prima facie evidence shows that the Agency has violated and continues to violate any of the provisions of the Labor Code, as amended, its Implementing Rules and Regulations on the recruitment and placement of workers.

SECTION 53. Suspension/Cancellation of License. The Regional Director who issued the license shall have the power to suspend/cancel the license of the Agency.

SECTION 54. Effects of Orders of Suspension/Cancellation or Revocation. An order of suspension/cancellation or revocation shall have the effect of suspending or terminating all activities of the Agency which fall under the definition of recruitment and placement. The Regional Office may seek the assistance of other government institutions, agencies or offices to ensure that suspension or cancellation orders are implemented.

SECTION 55. Suppletory Application of the Rules of Court. In the absence of any applicable provisions of these Rules, the pertinent provisions of the Rules of Court may be applied in a suppletory character.

SECTION 56. Appeal. Decision of the Regional Director is appealable to the Secretary within ten (10) working days from receipt of a copy of the order, on any of the following grounds;

a. if there is prima facie evidence of abuse of discretion on the part of the Regional Director;

b. if the decision and/or award was secured through fraud or coercion;

c. if made purely on questions of law; and/or

d. if serious errors in the findings of facts are raised which, if not corrected, would cause grave or irreparable damage or injury to the appellant.

The appeal shall be filed with the Office of the Secretary, copy furnished the Regional Office issuing the Order of suspension or cancellation/revocation.

The Secretary shall have thirty (30) working days from receipt of the records to resolve the appeal. The decision of the Secretary shall be final and inappealable.

RULE VIII

CESSATION OF OPERATION OF THE AGENCY/BRANCH

SECTION 57. Notice of Closure of the Agency or its Branch. The Agency or its branch office which ceases to operate prior to the expiration of its license or its authority to operate shall notify the Regional Office concerned, stating the justification for such closure, accompanied by the original receipt of cash bond and the license, or the authority to operate, as the case may be.

SECTION 58. Refund of Cash Bond. An Agency which voluntarily surrender its license shall be entitled to the refund of its deposited cash bond only after posting a surety bond of similar amount from a bonding company accredited by the Insurance Commission. The surety bond is valid for three (3) years from expiration of the license.

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RULE IX

Inspectorate and Enforcement Functions

SECTION 59. Inspection Function To ensure the effective supervision and regulation of the activities of all licensees, the Regional Director or his duly authorized representative shall have access to the licensee's records and premises at any time of the day or night whenever work is being undertaken therein, to determine violation or may aid in the enforcement of these Rules.

SECTION 60. Writ of Execution The Regional Director shall issue writs of execution to the appropriate authority for the enforcement of his/her Orders.

SECTION 61. Submission of Monthly Reports All Agencies shall submit to the Regional Office, copy furnished the Bureau not later than the 5th working day of every month reports verified and confirmed by the Regional Director or his duly authorized representative of their recruitment and placement activities during the preceding month.

RULE X REPEALING CLAUSE AND EFFECTIVITY DATE

SECTION 62. Repealing Clause. All rules and regulations, guidelines and issuances inconsistent herewith are repealed or modified accordingly.
SECTION 63. Effectivity. The provisions of these Rules and Regulations shall take effect fifteen (15) days after its publication in two (2) newspapers of general circulation.

Adopted: 05 June 1997.

(SGD.) LEONARDO A. QUISUMBING
Secretary

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