SAUDI RULES ON RENEWAL OF CONTRACTS: FOR DISSEMINATION AT PDOS

Read online (full-text search, related cases, audio case brief): https://batas.org/library/fae78ff6e2bf/

Quoted hereunder for the information of all agencies and entities and for dissemination to all contract workers during the Pre-Departure Orientation Seminars (PDOS) is a telex report from the Regional Labor Center relative to the new rules applicable to renewal of contracts:

> "Renewal of contracts for the expatriate workers shall be approved by the Saudi Labor Office. All contracts made without such approval is illegal and therefore void. Before renewing the contracts the Saudi Labor Office will see to it first that there is no Saudi National available for the post. Where Saudi candidate is available the foreign worker will be replaced immediately after being paid his salary and other dues and shall be returned to his country as early as possible.
>
> Under the new regulations as contained in Royal Decree No. 451/3 dated Dec. 14, and recently published secondment of workers (loan to other companies without legal transfer) is now prohibited. The sponsorship of the worker is allowed to be transferred only once and the release once accorded is considered final irrevocable and cannot retracted.
>
> According to the decree the following rules shall be strictly followed:
>
> 1. Secondment or lending of service between establishments, companies and or individuals is not allowed.
>
> 2. Transfer of sponsorship of workers to and from foreign firms working on temporary permit is disallowed.
>
> 3. The transfer of the sponsorship of the workers to and from companies and establishment with commercial records or holding permits issued by concerned parties or among individuals is only allowed under the following conditions:
>
> - The worker should be a holder of educational or specialized qualifications or who is a Technician and who is a graduate of a Technical Institute or Center.
>
> - He should have spent not less than two years with the original sponsor who brought him to Saudi Arabia.
>
> - His occupation and qualifications should be appropriate to the work assigned to him.
>
> - The transfer of the worker's sponsorship is only allowed to be made once (no subsequent transfer).
>
> - The release given by the sponsor is final and cannot be rescinded because it is a proof that he no longer needs the services of the worker.
>
> - In case the transfer of sponsorship does not work out, the sponsor should deport the worker and notify immediately the passport and immigration offices for the follow-up of action.
>
> Because of this new rules Filipino workers who wish to look for other jobs may have difficulties obtaining other opportunities. The only recourse is to go back home.
>
> On employment generation, it is possible that there will be a 'rebound' in favor of our workers. Saudi employers after trying other nationalities, with less success and low production, are now inquiring about the

Turn this case into an audio lecture - facts, issues, ruling and doctrine - at batas.org

return of their Filipino workers, even at slightly higher salaries than other '3rd country' expatriates."

All agencies and entities are enjoined to effectively disseminate the above information to all contract workers attending PDOS in order that they can take the appropriate precautions if and when they renew their contract of employment.

Adopted: 20 Jan. 1986

(SGD.) CRESCENCIO M. SIDDAYAO
Deputy Administrator and Officer-in-Charge

Re-issued: 18 Feb. 1992

(SGD.) JOSE N. SARMIENTO
Administrator

Bar review courses, mock exams and a study planner that keeps you on pace - batas.org

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at https://batas.org

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.