

Republic of the Philippines  
HOUSE OF REPRESENTATIVES  
Quezon City

SEVENTEENTH CONGRESS  
First Regular Session  
**4314**  
HOUSE BILL NO. \_\_\_\_\_



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Introduced by Representative Estrellita B. Suansing

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**EXPLANATORY NOTE**

This bill requires a private recruitment entity or private employment agency to establish and maintain an office or branch in the country where it deploys overseas Filipino workers, amending for the purpose Presidential Decree No. 442, as amended, otherwise known as the "*Labor Code of the Philippines*."

The overseas Filipino workers (OFWs) are recognized as the modern-day heroes because of their significant contributions to the national economy through their foreign exchange remittances. In 2015, the Philippine Statistics Authority estimated the number of OFWs at 2.4 million and the Bangko Sentral ng Pilipinas reported that their total cash remittances amounted to \$25.76 billion. Despite the contributions of OFWs in nation building and the existence of laws protecting them, numerous cases of abuse and rampant violations of their labor rights have been reported. Many OFWs are confronted with different work problems such as breach of contracts, illegal dismissals, unpaid salaries, maltreatments and other forms of abuse. In many cases, abused OFWs find it very difficult to file complaints against their foreign employer.

One important aspect of the Philippine labor migration policy is the concept of joint and solidary liability of the local recruitment agency and foreign principal in addressing workers issues and concerns. This means that a local recruitment agency may be held liable for any breach or violation of an employment contract by the foreign employer. However, recruitment agencies are based here in the Philippines and the abused OFWs need to return to the Philippines to file a complaint or deal directly with their agencies, thus, they have no other option but to return to their home country without receiving their unpaid salaries, benefits and other money claims.

Under this bill, private recruitment entities or private employment agencies are required to establish and maintain an office or branch in the country where they deploy overseas Filipino workers to ensure that the terms and conditions of the workers' employment contract are properly implemented and coordinated with the foreign

employer and the agency. This will provide immediate and accessible remedy for our workers in the foreign land. This bill will also ensure the protection and security of our migrant workers.

In view of the foregoing, approval of this bill is earnestly recommended..

  
ESTRELLITA B. SUANSING

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AN ACT

REQUIRING A PRIVATE RECRUITMENT ENTITY OR PRIVATE EMPLOYMENT AGENCY TO ESTABLISH AND MAINTAIN AN OFFICE OR BRANCH IN THE COUNTRY WHERE IT DEPLOYS OVERSEAS FILIPINO WORKERS AMENDING FOR THE PURPOSE PRESIDENTIAL DECREE NO. 442, AS AMENDED, OTHERWISE KNOWN AS THE "LABOR CODE OF THE PHILIPPINES"

*Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:*

1       **SECTION 1.** Article 25 of Presidential Decree No. 442, as amended, is hereby  
2 further amended to read as follows:

3               *"Article 25. Private sector participation in the recruitment and*  
4 *placement of workers. – Pursuant to national development objectives and in*  
5 *order to harness and maximize the use of private sector resources and*  
6 *initiative in the development and implementation of a comprehensive*  
7 *employment program, the private employment sector shall participate in the*  
8 *recruitment and placement of workers, locally and overseas, under such*  
9 *guidelines, rules and regulations, as may be issued by the Secretary of Labor*  
10 *and Employment.*

11               **A PRIVATE RECRUITMENT ENTITY OR PRIVATE EMPLOYMENT**  
12 **AGENCY ENGAGED IN THE RECRUITMENT AND PLACEMENT OF**  
13 **OVERSEAS FILIPINO WORKERS IS REQUIRED TO ESTABLISH AND**  
14 **MAINTAIN AN OFFICE OR BRANCH IN THE COUNTRY WHERE IT**  
15 **DEPLOYS MORE THAN TEN (10) OVERSEAS FILIPINO WORKERS AS**

1       A REQUIREMENT FOR THE ISSUANCE AND RENEWAL OF THE  
2       LICENSE TO OPERATE.

3               THE OFFICE OR BRANCH SHALL SERVE AS A LIAISON OFFICE  
4       OF THE OVERSEAS FILIPINO WORKERS ABROAD TO THE LOCAL  
5       PRIVATE EMPLOYMENT ENTITY OR AGENCY. IT SHALL  
6       COORDINATE AND FACILITATE THE TRANSACTIONS AND CLAIMS  
7       OF THE OVERSEAS FILIPINO WORKER UNDER THE EMPLOYMENT  
8       CONTRACT.”

9       **SEC. 2.** All laws, decrees, executive orders, proclamations, rules and regulations  
10      and other issuances or part or parts thereof which are inconsistent with the provisions of  
11      this Act are hereby amended or modified accordingly.

12       **SEC. 3.** This Act shall take effect fifteen (15) days after its publication in the *Official*  
13      *Gazette* or in a newspaper of general circulation.

14      Approved,