

# [ PRESIDENTIAL DECREE NO. 1412, June 09, 1978 ]

## FURTHER AMENDING CERTAIN PROVISIONS OF BOOK I, PRESIDENTIAL DECREE NO. 442, OTHERWISE KNOWN AS THE LABOR CODE OF THE PHILIPPINES.

**WHEREAS**, the employment promotion system must respond positively to the changing political and economic realities and benefit from the relevant experience of the last five years;

**WHEREAS**, recent changes have rendered the present system increasingly limited to pursue the mandate to promote full employment in an organized and systematic manner;

**WHEREAS**, government policy mandates the full encouragement and participation of the private sector in national development activities and in the employment promotion effort;

**NOW, THEREFORE, I, FERDINAND E. MARCOS**, President of the Philippines, by virtue of the power vested in me by the Constitution, do hereby order and decree:

**SECTION 1.** Articles 12(f), 13, 15, 16, 17, 18, 19(a), 23, 25, 27, 28, 30, 31, 32 and 38 of Book 1, of the Labor Code are hereby amended to read as follows:

**"Article 12. Declaration of Policy—**

f. It is the policy of the State: To strengthen the network of public employment offices and rationalize the participation of the private sector in the recruitment and placement of workers, locally and overseas, to serve national development objectives."

**"Article 13. Definitions—**

- c. "*Private employment agency*"—means any person or entity engaged in the recruitment and placement of workers for a fee which is charged directly or indirectly, from the workers or employers or both.
- d. "*License*"—means a document issued by the Department of Labor authorizing a person or entity to operate a private employment agency.
- e. "*Private recruitment entity*"—means any person or association engaged in the recruitment and placement of workers, locally or overseas, without charging, directly or indirectly, any fee from the workers or employers.
- f. "*Authority*"—means a document issued by the Department of Labor authorizing a person or association to engage in recruitment and placement activities as a private recruitment entity.

**"Article 15. Bureau of Employment Services.—**

- a. The Bureau of Employment Services shall develop and implement a comprehensive employment program. It shall have the power and

duty:

1. To implement the employment promotion objectives of this Title.
  2. To establish and operate public employment offices and provide for free placement services to workers.
  3. To regulate and supervise private sector participation in the recruitment and placement of workers, locally, and overseas, under such rules and regulations as may be issued by the Secretary of Labor.
  4. To initiate employment programs designed to benefit disadvantaged groups and communities.
  5. To establish and maintain a registration and/or work permit system to regulate the employment of aliens.
  6. To develop and maintain a labor market information system in aid of proper manpower and development planning.
  7. To develop and maintain a responsive vocational guidance and testing system in aid of proper human resources allocation; and
  8. To maintain a registry of skills, except seamen.
- b. The Bureau shall have the original and exclusive jurisdiction over all matters or cases involving employer-employee relations including money claims, arising out of or by virtue of any law or contracts involving Filipino workers for overseas employment, except seamen. The decisions of the Bureau shall be final and executory subject to appeal to the Secretary of Labor which decision shall be final and inappealable.
- c. The Bureau shall, subject to the approval of the Secretary of Labor, have the power to impose and collect fees which shall be deposited to its own account and be used by it to promote its objectives.

**Article 16.** *Private recruitment.*—Except as provided in Chapter II of this Title, no person or entity, other than the public employment offices and the OEDB for overseas employment, shall engage in the recruitment and placement of workers.

**Article 17.** *Overseas Employment Development Board—*

- a. An Overseas Employment Development Board is hereby created to undertake a systematic program for overseas employment of Filipino workers, other than seamen, in excess of domestic needs, to protect their rights to fair and equitable employment practices, and to promote the welfare of Filipino emigrants. It shall have the power and duty:
1. To recruit and place workers to service the requirements of overseas employers for trained and competent Filipino workers;
  2. To promote the development of skills and the careful selection of Filipino workers for overseas employment;
  3. To promote the overseas employment of Filipino workers.