

MALACAÑANG

Manila

(151) 9225

EXECUTIVE ORDER NO. 450

LIFTING THE BAN ON NEW APPLICATIONS FOR LICENSES TO OPERATE
PRIVATE EMPLOYMENT AGENCIES ENGAGED IN RECRUITMENT AND
PLACEMENT OF FILIPINO WORKERS FOR OVERSEAS EMPLOYMENT

WHEREAS, Article 25 of the Labor Code of the Philippines, as amended, allowed the continued participation of the private employment sector in the recruitment and placement of workers locally and overseas, under such guidelines as may be issued by the Secretary of Labor and Employment;

WHEREAS, Letter of Instruction No. 1190, issued on January 20, 1982, banned the issuance of licenses to operate private employment agencies engaged in the recruitment and placement of Filipino workers for overseas employment to stop the proliferation of recruitment agencies and prevent cut-throat competition, and to protect workers from prohibited and exploitative practices at the hands of recruiters;

WHEREAS, LOI 1190 was issued in 1982 in view of the absence of an effective administrative machinery which would address the upsurge, and supervise the operations of, licensed placement agencies;

WHEREAS, this incapacity has been properly addressed by the integration of all offices involved in the overseas employment program through the creation of the Philippine Overseas Employment Administration (POEA);

WHEREAS, recent developments affecting the overseas employment program of the government, particularly the opening of new markets with increasing demand for Filipino manpower at competitive employment terms and conditions, has necessitated a review and re-evaluation of licensing policies;

WHEREAS, the potentials of these new markets and the encouraging growth of deployment over the years ought to be taken advantage of by the government;

WHEREAS, it has become necessary to develop and maintain a roster of responsible and reputable licensed agencies engaged in recruitment for overseas employment, the operations of which shall be under the strict supervision and regulation by the Department of Labor and Employment;

WHEREAS, lifting the ban on the issuance of licenses will open the opportunity for the entry of innovative and dynamic participants who can revitalize existing markets and respond to the challenges of emerging ones;

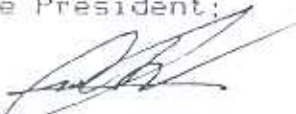
WHEREAS, the much needed foreign exchange will be aggressively channelled through the efforts of licensed agencies;

NOW, THEREFORE, I, CORAZON C. AQUINO, President of the Philippines, by virtue of the powers vested in me by law, do hereby direct the immediate lifting of the ban on new applications for licenses to operate private recruitment agencies subject to such guidelines, rules and regulations as may be promulgated by the Secretary of Labor and Employment.

Done in the City of Manila, this 19th day of March, in the year of Our Lord, nineteen hundred and ninety-one.

Corazon C. Aquino

By the President:


OSCAR M. ORDOÑEZ
Executive Secretary