



Republic of the Philippines

DEPARTMENT OF LABOR AND EMPLOYMENT
Intramuros, Manila



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REVISED GUIDELINES GOVERNING THE EMPLOYMENT AND WORKING CONDITIONS OF SECURITY GUARDS AND OTHER PRIVATE SECURITY PERSONNEL IN THE PRIVATE SECURITY INDUSTRY

For the purpose of ensuring compliance with mandated employment benefits and working conditions for security guards and other private security personnel in the private security industry, this Guidelines is hereby issued:

Section 1. Coverage. – This Revised Guidelines or Guidelines shall apply to all private security, detective, investigative agencies or operators, their principals or clients, and all companies employing security guards and other private security personnel.

Section 2. Definition of Terms. – As used herein, the following terms shall mean:

- a. **“Bond”** refers to the bond under Article 108 of the Labor Code, as amended, that the principal may require from the contractor to be posted equal to the cost of labor under contract.
- b. **“Duty Detail Order”** refers to a written order/schedule/assignment issued to a security guard and other private security personnel by a superior officer, usually the private security agency or branch manager or operation’s officer, for the performance of security and/or detective service duty/ies.
- c. **“Net Financial Contracting Capacity (NFCC)”** refers to the formula to determine the financial capacity of the contractor to carry out the job, work, or services sought to be undertaken under a Service Agreement. NFCC is current assets minus current liabilities multiplied by K, which stands for contract duration equivalent to: ten (10) for one year or less; fifteen (15) for more than one (1) year up to two (2) years; and twenty (20) for more than two (2) years, minus the value of all outstanding or ongoing projects including contracts to be started.
- d. **“Philippine National Police (PNP), Civil Security Group (CSG) - Supervisory Office for Security Investigation Agencies (SOSIA) and Firearms and Explosives Division (FED)”** refers to the agencies charged with the implementation of Republic Act No. 5487.
- e. **“Principal”** refers to any individual, company, cooperative, or establishment, including government agencies and government-owned and controlled-corporations, who or which puts out or farms out a security

and/or detective job, service, or work to a private Security Service Contractor.

- f. **“Private Security Personnel”** refers to natural persons, including private detectives, security consultants and security officers, employed by private security agency or firm, to render security and/or detective services.
- g. **“Right to Control”** refers to the right reserved to the Security Service Contractor to determine not only the end to be achieved as required by the principal, but also the manner and means to be used in reaching that end within the limits of the law.
- h. **“Security Guard”** refers to any person who offers or renders personal service to watch or secure a residence, business establishment, building, compound, any other area or property; or inspects, monitors, or performs body checks or searches of individuals or baggage and other forms of security inspection.
- i. **“Security Service Contractor (SSC)”** is synonymous with **Private Security Agency (PSA)** which refers to any person, association, partnership, firm, or private corporation engaged in contracting, recruitment, training, furnishing, or posting of security guard and other private security personnel to individuals, corporations, offices and organizations, whether private or public, for their security needs as the Philippine National Police (PNP) may approve.
- j. **“Service Agreement”** refers to the contract between the principal and the SSC/PSA containing the terms and conditions governing the performance or completion of security service, job, or work being farmed out for a definite or predetermined period.
- k. **“Solidary Liability”** refers to the liability of the principal, in the same manner and extent that he/she is liable to his/her direct employees, to the extent of the work performed under the contract when the SSC/PSA fails to pay the wages of his/her employees, as provided for in Article 106 of the Labor Code, as amended.
- l. **“Total Contract Cost”** refers to the payment of wage and wage-related benefits including social welfare benefits of security guards and other private security personnel in conformity with the Standard Computation of the Department of Labor and Employment using the form prescribed in this Guidelines.
- m. **“Trilateral Relationship”** refers to the relationship in contracting or subcontracting arrangement where there is a contract for a specific security job, work, or service between the principal and the SSC/PSA, and a contract of employment between the latter and its security guards. There are three (3) parties involved in these arrangements: the principal who decides to farm out a security job, work, or service to a security service contractor; the SSC/PSA who has the capacity to independently

undertake the performance of the security job, work, or service; and the security guards and other private security personnel engaged by the SSC/PSA to accomplish the security job, work, or service.

Section 3. Employment Status. –

3.1. Employer-Employee Relationship. – The SSC/PSA is the employer of its security guards and other private security personnel on duty detail to a principal or client under a Service Agreement.

3.2. Probationary Employment. – The probationary period of newly-hired security guard and other private security personnel in the private security industry shall not exceed six (6) months. While engaged on probationary basis, their services may be terminated for failure to meet reasonable standards or criteria made known by the SSC/PSA to the security guards and other private security personnel at the time of their engagement or for any just cause contained in the probationary contract.

3.3. Regular Employment. – Any security guard or other private security personnel who is allowed to work after the probationary period or in the absence of a valid probationary contract shall be considered a regular employee. Security guards and other private security personnel affected by repeated hiring-firing-rehiring scheme for short periods of time, the aggregate duration of which is at least six (6) months, shall be considered regular employees.

Section 4. Service Agreements. – The SSC/PSA and/or the principal shall produce or submit the original copy of the Service Agreement when directed to do so by the Regional Director or his/her duly authorized representative. The Service Agreement must conform to the DOLE Standard Computation and Standard Service Agreement, as provided for under this Guidelines. The Service Agreement shall stipulate, among others:

- a. The specific description of the kind or nature of security job, work, or service being subcontracted;
- b. The place of work and terms and conditions governing the contracting arrangement which shall include the agreed amount of the security services to be rendered and the standard administrative fee of not less than twenty percent (20%) of the total contract cost;
- c. The basic equipment to be provided by the SSC/PSA which shall be as follows:
 1. For every two (2) security guards and other private security personnel, one (1) handgun as prescribed by R.A. 5487; but in no case shall a security guard be posted without a firearm, unless required otherwise by the client; and
 2. One (1) handheld radio; provided that, if the principal requires more than these basic equipment, it shall be shouldered by the principal.

- d. An "automatic crediting provision" which shall immediately give effect to the common provision in wage orders that prescribed increases in wage rates and other wage-related benefits of security guards and other private security personnel shall be borne by the principals or clients of the SSC/PSAs and the Service Agreements shall be deemed amended accordingly;
- e. Provisions which shall ensure that the principal and the SSC/PSA shall uphold the rights and provide all the benefits of security guards and other private security personnel under the Labor Code, as amended, and other existing laws, and that violation of which will render the service contractor ineligible to participate in any bidding and the principal ineligible to engage the services of such SSC/PSA;
- f. A provision on the NFCC of the SSC/PSA, which must be equal to the total contract cost per month, provided that posting of the corresponding bond shall be required only when the NFCC is less than the total contract cost;
- g. An undertaking that the SSC/PSA shall directly remit monthly the employers' share and employees' contribution to the Social Security System (SSS), Employees' Compensation Commission (ECC), Philippine Health Insurance Corporation (PhilHealth), and Home Development Mutual Fund (Pag-IBIG); and
- h. An undertaking that the expenses for any training required by the principal or other government instrumentalities, in addition to those required by the PNP, shall be shouldered by the principal.

Section 5. Employment Contracts. –

5.1. Status of Employment. – Notwithstanding any oral or written stipulations to the contrary, the contract between the SSC/PSA and its security guards and other private security personnel shall be governed by the provisions of Articles 294 (formerly 279) and 295 (formerly 280) of the Labor Code, as renumbered. The SSC/PSA shall provide his/her security guards and other private security personnel a copy of the employment contract duly signed by the parties, which shall contain the terms and conditions of employment, such as those provided under Section 7 hereof.

5.2. Contents of Duty Detail Order. – For every assignment of security guards and other private security personnel to a principal, the Duty Detail Order shall contain the following, among others:

- a. Name, address, and telephone number of agency;
- b. Issue serial number and date of the Duty Detail Order;
- c. Complete name and designation of grantee;
- d. Purpose;
- e. Inclusive dates of detail;

- f. Firearms description and license number;
- g. Authorized uniform to be used;
- h. Other specific instructions or remarks; and
- i. Signature and designation of issuing officer.

Section 6. Rights of Security Guards and Other Private Security Personnel. – All security guards and other private security personnel, whether deployed or assigned as reliever, seasonal, week-ender, or temporary, shall be entitled to all the rights and privileges as provided for in the Labor Code, as amended, which shall include the following:

- a. Safe and healthful working conditions;
- b. Labor standards such as but not limited to service incentive leave, premium pay, overtime pay, holiday pay, night shift differential, 13th month pay, and separation pay as may be provided in the Service Agreement or under the Labor Code, as amended;
- c. Retirement benefits under Republic Act No. 7641, Republic Act No. 1161, as amended by Republic Act No. 8282, and retirement plans of the security service contractor, if any;
- d. Social security and welfare benefits;
- e. Right to self-organization and collective bargaining, subject to the provisions of existing laws; and
- f. Security of tenure.

Section 7. Terms and Conditions of Employment. –

7.1. Requirements for Pre-employment and Continued Employment. – The security guards and other private security personnel in the employ of any SSC/PSA or firm should be duly licensed and must have passed the physical and neuro-psychiatric examination and drug test required by the PNP for pre-employment and for continued employment. Expenses for these examinations and test shall be shouldered by the security guards.

Any additional test may be required at the expense of the requesting party.

7.2. Obligations of Government Agencies. – Government agencies or instrumentalities engaging security services from SSC/PSA shall comply with all labor standards and shall require the submission, among other requirements and as part of the bid, an undertaking from the SSC/PSA to pay their security guards and other private security personnel the prescribed benefits.

7.3. Entitlement to Minimum Wage. – Unless a higher minimum wage is agreed upon by the parties, the security guards and other private security personnel shall be entitled to receive a salary of not less than the minimum wage rate prescribed for non-agricultural sector or industry in the region where he/she is assigned, regardless of the nature of business of the principal.

7.4. Transfer of Assignment. – In case of transfer, the wage rate most favorable to the security guards and other private security personnel shall apply.

Thus, transfer of security guards and other private security personnel to areas outside the region of the domicile or head office of the SSC/PSA shall not result to reduction of the wage rate being enjoyed by the security guards and other private security personnel prior to such transfer. Transfer to an area or region with higher wage rate shall render the higher rate the applicable wage rate for the transferred security guards and other private security personnel.

7.5. Statutory Benefits. – Security guards and other private security personnel are entitled to not less than the following benefits depending on the working hours, work shift and workdays and other analogous conditions, which benefits should be included in the cost distribution in the Service Agreement:

- a. Basic salary for all actual workdays and for the twelve (12) regular holidays (as holiday pay) which must not be lower than the minimum wage rates described in Subsection 7.3, to be computed by using the factors recommended herein. Whenever work is rendered on a regular holiday, an additional pay of one hundred percent (100%) of the minimum wage rate should be paid;
- b. Allowance in addition to the basic salary, if prescribed by the applicable Regional Wage Order;
- c. Premium pay of thirty percent (30%) of the daily rate for work on special days or on rest days, which is increased to fifty percent (50%) whenever work is performed coinciding the rest days and special days;
- d. Overtime pay for work rendered in excess of eight (8) hours a day, equivalent to at least twenty-five percent (25%) of the regular hourly rate on ordinary days and thirty percent (30%) of the hourly rate on regular holidays, special days and rest days;
- e. Night shift differential equivalent to ten percent (10%) of the regular hourly rate for work rendered between 10:00 p.m. and 6:00 a.m. of the following day;
- f. Five (5) days service incentive leave for every year of service which benefits can be availed of during days of absence and, if not used, are convertible into its cash equivalent. A proportionate leave benefit per month may be derived by dividing five (5) days by twelve (12) months multiplied by the current daily rate;
- g. Maternity leave as provided for under Republic Act No. 1161, as amended by Republic Act No. 8282, otherwise known as the "Social Security Law," for female security guards and other private security personnel who are unable to work due to childbirth or miscarriage, up to the first four (4) deliveries or miscarriages;
- h. Paternity leave of seven (7) days with full pay for male security guards and other private security personnel under Republic Act No. 8187, otherwise known as the "Paternity Leave Act of 1996," which shall be

granted after the delivery, without prejudice to an employer's policy of allowing the employee to avail of the benefit before or during the delivery. The paternity leave with pay is granted for the first four deliveries, including miscarriages, of the male employee's lawful wife with whom he is cohabiting;

- i. Parental leave of seven (7) days every year for solo parents security guards and other private security personnel who are left alone with the responsibility of parenthood as defined under Republic Act No. 8972, otherwise known as the "Solo Parents' Welfare Act of 2000";
- j. Leave for Victims of Violence Against Women and their Children of ten (10) days for qualified victim-female security guards and other private security personnel under Republic Act No. 9262, otherwise known as "Anti-Violence Against Women and Their Children Act of 2004";
- k. Special Leave for Women of not more than two (2) months with full pay based on her gross monthly compensation following surgery caused by gynecological disorders, under Republic Act No. 9710, otherwise known as "The Magna Carta of Women";
- l. 13th month pay which is one-twelfth (1/12) of the total basic salary earned within a calendar year;
- m. Separation Pay if the termination of employment is for authorized cause as provided by law and as enumerated below:
 1. One-half (1/2)-month pay per year of service, but guaranteed to one (1) month pay if separation is due to:
 - i. Retrenchment or reduction of personnel effected by management to prevent serious losses;
 - ii. Closure or cessation of operation of an establishment not due to serious losses or financial reverses;
 - iii. Illness or disease not curable within a period of six (6) months and continued employment is prohibited by law or prejudicial to the employee's health or that of his/her co-employees; or
 - iv. Lack of service assignment for a continuous period of six (6) months.
 2. One (1) month pay per year of service if separation is due to:
 - i. Installation of labor-saving device, such as replacement of employees by equipment/machinery;
 - ii. Redundancy, as when the position has been found to be a surplusage or unnecessary in the operation of the agency;
 - iii. Impossible reinstatement of the employee to his/her former position or to a substantially equivalent position for reasons not attributable to the fault of the employer, as when the reinstatement ordered by a competent authority cannot be

implemented due to closure or cessation of operations of the establishment/security service contractor, or the position to which the employee is to be reinstated no longer exists and there is no substantially equivalent position to which he/she can be assigned;
or

- iv. Lack of service assignment by reason of age.
- n. Benefits under the Employees Compensation Program pursuant to Presidential Decree 626;
- o. PhilHealth benefits under Republic Act No. 7875, as amended by Republic Act No. 9241;
- p. Social Security benefits under Republic Act No. 1161, as amended by Republic Act No. 8282;
- q. Safe and healthful working conditions as provided in the Occupational Safety and Health Standards;
- r. Retirement pay granted under Republic Act No. 7641 to any security guard and other private security personnel which shall be billable monthly to the principal or client of the SSC/PSA.

The fund shall be administered and maintained by a trust company bank, investment house, pre-need company, or corporation duly authorized to perform trust function exclusively for collective investment or re-investment of certain money received in its capacity as trustee, or similar arrangement as may be agreed upon in accordance with law.

The SSC/PSA may establish a retirement plan for the payment of the retirement benefits of its security guards or other private security personnel. From this a Retirement Trust Fund (RTF) shall be created out of contributions from the principal. The trust fund agreement shall be executed by and between the SSC/PSA as trustor and a trust entity as trustee in favor of security guards or other private security personnel employed by the trustor. The trust entity as trustee shall administer the retirement plan and manage the trust fund in accordance with the retirement plan agreed upon by the SSC/PSA and its security guards or other private security personnel.

The SSC/PSA may also register with the Securities and Exchange Commission (SEC), a non-stock Retirement Fund Company (RFC) owned and managed by its members who are officers, employees, security guards, or other private security personnel. The RFC shall manage and reinvest the retirement fund, and shall pay the retirement benefits of its members upon his/her retirement.

As such, any payment for retirement benefits collected in advance from the principal shall immediately be deposited by the SSC/PSA or trustor to

the trustee or retirement fund company in favor of the security guard and other private security personnel as benefit upon retirement; and

- s. Other benefits granted by law, individual or collective agreement, or company policy or practice.

7.6. Recommended Computation of the Estimated Equivalent Monthly Rates. –

Using the Applicable Daily Rate (ADR) and a factor representing the number of paid days in a year, the following procedures are recommended to facilitate the computation of the Estimated Equivalent Monthly Rates (EMMR).

For those who are required to work every day including Sundays or rest days, special days, and regular holidays:

$$EMR = (ADR \times 393.5) / 12$$

Where 393.5 is derived from:

298	-	ordinary working days
24	-	12 regular holidays x 200%
67.6	-	52 rest days x 130%
3.9	-	3 special days x 130%
393.5		days considered paid in a year

For those who are considered paid on all days including unworked Sundays or rest days, special days and regular holidays:

$$EMR = (ADR \times 365) / 12$$

Where 365 days derived from:

298	-	ordinary working days
3	-	special days
52	-	rest days
12	-	regular holidays
365		days considered paid in a year

For those who do not work and are not considered paid on Sundays or rest days:

$$EMR = (ADR \times 313) / 12$$

Where 313 is derived from:

298	-	ordinary working days
3	-	special days (if worked) x 130%

12	- regular holidays
313	days considered paid in a year

For those who do not work and are not considered paid on Saturdays and Sundays or rest days:

$$EMR = (ADR \times 261) / 12$$

Where 261 is derived from:

246	- ordinary working days
3	- special days (if worked) x 130%
12	- regular holidays
261	days considered paid in a year

By using the above indicated factors, the daily wage for workdays and twelve (12) holidays are included in the monthly rates. Thirty percent (30%) rest day premium is integrated in factor 393.5 for all the Sundays or rest days in a year. For factors 313 and 261, all the twelve (12) regular holidays and the three (3) special days are included. However, factor 310 or 258 may be used instead of factor 313 or 261, respectively, if the three (3) special days are not considered paid.

Not included in the above formula is the additional pay due an employee whenever work is rendered on an ordinary working day proclaimed by the President or enacted into law as a special day (that is, other than August 21, November 1 and December 31) and local holidays.

Section 8. Deductions from Salary. – No deduction shall be made from the salary of the security guards and other private security personnel, except for:

- a. SSS contribution;
- b. Pag-IBIG contribution;
- c. PhilHealth contribution;
- d. Withholding tax from income, provided a proper withholding tax receipt is issued to the employee before the filing of income tax return every year;
- e. Union dues, if authorized in writing;
- f. Agency fees which may be collected from employees who are not members of the bargaining agent but accept benefits under the collective bargaining agreement (CBA); and
- g. Other deduction as may be authorized in writing by the security guard and other private security personnel for payment to a third person and the employer agrees to do so, provided that the latter does not receive any pecuniary benefit, directly or indirectly, from the transaction.

These deductions should be reflected in the payroll by the SSC/PSA.

In case an SSC/PSA requires its security guard and other private security personnel to post a bond for use of firearms and other paraphernalia, such may only

be imposed once. The amount of the bond should not be more than five percent (5%) of the amount of the firearm issued to the security guard and other private security personnel. The said cash bond, less the cost of damage or loss of firearms or paraphernalia due to the fault of the security guard, shall be refunded to the security guards and other private security personnel within fifteen (15) calendar days from severance of employment.

Pursuant to Labor Advisory No. 11, Series of 2014, deductions or requiring cash deposits from employees to answer for reimbursement of loss or damage on tools, materials, or equipment supplied by the employer is allowed in private security agencies as a recognized and reasonable industry practice given the nature of the service or business. However, for deductions of such nature to be valid, the following conditions must be observed:

- a. The employee concerned is clearly shown to be responsible for the loss or damage;
- b. The employee is given reasonable opportunity to show cause why the deduction should not be made;
- c. The amount of such deduction is fair and reasonable and shall not exceed the actual loss or damage; and
- d. The deduction from the wages of the employee does not exceed twenty percent (20%) of the employee's wages in a week.

In the event that a SSC/PSA requires a cash deposit from its employees, the maximum amount shall not exceed the employee's one (1) month basic salary. The said cash deposit may be deducted from the employee's wages in an amount which shall not exceed twenty percent (20%) of the employee's wages in a week. The full amount of cash deposit deducted shall be returned to the employee within ten (10) days from his/her separation from the service.

Section 9. Liability and Responsibilities of Security Service Contractors/Private Security Agencies and Principals. –

9.1. Solidary Liability. – The SSC/PSA and its principal or client shall be jointly and solidarily liable with each other in any of the following circumstances:

- a. When the SSC/PSA fails to pay the wages of its security guards and other private security personnel, the principal or client shall be considered the "indirect employer" and shall be jointly and severally liable with the SSC/PSA to the extent of the work performed by such security guards and other private security personnel under the Service Agreement, in the same manner and extent that the principal is liable to its direct employees.
- b. If there are wage increases or adjustments after the execution of the Service Agreement, the prescribed increases in the wage rates of security guards and other private security personnel shall be borne by the principal

and the Service Agreement shall be deemed amended accordingly. In the event that the principal fails to pay the prescribed increases, the SSC/PSA shall be jointly and solidarily liable with the principal.

The immediate recourse of security guards and other private security personnel for payment of wage increase before litigation is with their employer, the SSC/PSA. To enable the SSC/PSA to comply with the new rates, the consideration paid by the principal for the security guards' wages has to be adjusted in conformity with the mandated wage increase.

- b. When the SSC/PSA is found to be engaged in labor-only contracting, the principal shall be jointly and solidarily liable with it in the same manner that the principal is liable to employees directly hired by him/her.
- c. When the SSC/PSA is found to be an in-house agency, the principal shall be the direct employer of the security guards and/or other private security personnel deployed with it.
- d. When a violation of the relevant provisions of the Labor Code, as amended, has been established by the DOLE Secretary or his/her duly authorized representative in the exercise of his/her enforcement power, the principal shall be deemed solidarily liable with the SSC/PSA to the extent of accrued wage and wage-related benefits that the latter may owe to its security guards and other private security personnel in the following instances:
 1. When the certificate of registration of the SSC/PSA is cancelled, revoked, or not renewed by the competent authority; or
 2. When the contract between the principal and the SSC/PSA is pre-terminated for reasons not attributable to the fault of the latter.

9.2. Mandatory Registration and Registry of Legitimate Security Service Contractors. – Consistent with the authority of the Secretary of Labor and Employment to protect the rights of security guards and other private security personnel, it shall be mandatory for all SSC/PSA to register pursuant to the provisions of Department Order 18-A, Series of 2011. In addition to the requirements set forth under said Department Order, the applicant shall submit the following documents:

- a. Certificate of Membership issued by the Philippine Association of Detective and Protective Agency Operators, Inc. (PADPAO) or other associations recognized by the PNP-CSG-SOSIA, and License to Operate issued by the latter;
- b. A certificate of pending or no pending labor standards violation case/s issued by the National Labor Relations Commission (NLRC) and DOLE.

The pendency of a case will not prejudice the renewal of the registration, unless a Compliance Order has already been issued by the Regional Director and remained unsatisfied.

9.3. Enforcement of Labor Standards and Working Conditions. – Consistent with Article 128 of the Labor Code, as amended, the Secretary of Labor and Employment, or his/her duly authorized representatives, shall conduct assessment of establishments engaged by the principal or by the SSC/PSA. They shall have access to employer's records and premises at any time of the day or night whenever work is being undertaken therein, and the right to copy therefrom, to question any security guard and other private security personnel, and investigate any fact, condition or matter which may be necessary to determine violations or which may aid in the enforcement of the Labor Code, as amended, any labor law, wage order, or rules and regulations issued pursuant thereto.

The findings of the duly authorized representative shall be referred to the Regional Director for appropriate action. The Regional Director shall have the power to issue Compliance Orders to give effect to the labor standards provisions of the Labor Code, as amended, other labor legislation, and this Guidelines.

9.4. Keeping of Records. – The principals, as indirect employers, shall keep and maintain their own separate records or files on the assignment of security guards in their premises during the period of the service contract, which shall be open for inspection and verification by this Department.

All employment records shall be kept and maintained in and about the premises of all workplaces for at least three (3) years, unless the establishment has been in existence for less than three (3) years, in which case it shall be required to maintain employment records only during such shorter duration.

However, SSC/PSA with a centralized recording system shall inform the Labor Laws Compliance Officer (LLCO) of the Regional Office where their central or head office is located of such fact.

9.5. Duty to Produce Copy of Service Agreement between the Principal and the Security Service Contractor/Private Security Agency during Assessment. – The principal and SSC/PSA shall have obligation to produce a copy of the Service Agreement in the ordinary course of assessment. The SSC/PSA shall likewise have an obligation to produce a copy of any contract of employment when directed to do so by the Regional Director or his/her authorized representative.

Section 10. Right to Security of Tenure and Due Process. –

10.1. Security guards and other private security personnel shall enjoy security of tenure in their employment as provided by law. Their services can only be terminated for just or authorized causes after due process.

- A. For termination of employment based on just causes as defined in Article 297 (formerly 282) of the Labor Code, as renumbered, the requirement of

two written notices served on the employee shall be in accordance with the following:

- I. The first written notice should contain:
 - a. The specific causes or grounds for termination;
 - b. Detailed narration of the facts and circumstances that will serve as basis for the charge against the security guard and other private security personnel. A general description of the charge will not suffice;
 - c. The company rule, if any, that is violated and/or the ground under Article 297 (formerly 282) of the Labor Code, as renumbered, that is being charged against the security guard and other private security personnel; and
 - d. A directive that the security guard and other private security personnel is given an opportunity to submit a written explanation within five (5) calendar days from receipt of the first written notice.
- II. After serving the first notice, the employer should afford the security guard and other private security personnel ample opportunity to be heard and to defend himself/herself with the assistance of his/her representative if he/she so desires, as provided in Article 292 (b) (formerly 277) of the Labor Code, as renumbered.

“Ample opportunity to be heard” means any meaningful opportunity (verbal or written) given to the security guard and other private security personnel to answer the charges against him/her and submit evidence in support of his/her defense, whether in a hearing, conference, or some other fair, just, and reasonable way. A formal hearing or conference becomes mandatory only:

- a. when requested by the security guard and other private security personnel in writing;
 - b. substantial evidentiary disputes exist;
 - c. a company rule or practice requires it; or
 - d. when similar circumstances justify it.
- III. After determining that termination of employment is justified, the SSC/PSA shall serve the security guard and other private security personnel a second written notice, the notice of termination, indicating that: 1) all circumstances involving the charge against the security guard and other private security personnel have been considered; and 2) the grounds have been established to justify the severance of his/her employment.

The foregoing notices shall be served on the security guard and private security personnel's last known address.

Termination for just cause as stated in Article 297 (formerly 282) of the Labor Code, as renumbered, does not entitle the security guard and other private security personnel to separation pay, unless otherwise provided in the employer's policy, individual contract, or collective agreement.

- B. For termination of employment based on authorized causes, as defined in Articles 298 and 299 (formerly 283 and 284 of the Labor Code, as renumbered), the requirement of due process shall be deemed complied upon service of a written notice to the security guard and other private security personnel and to the appropriate DOLE Regional Office at least thirty (30) days before the effectivity of the termination, specifying the ground(s) for termination.
- C. If the termination is brought about by the completion of the contract, no prior notice is required. If the termination is brought about by the failure of a probationary security guards and other private security personnel to meet the reasonable standards of the SSC/PSA, which was made known to the security guard and other private security personnel at the time of employment, it shall be sufficient that a written notice is served upon the security guard and other private security personnel within a reasonable time prior to the expiration of the probationary period.
- D. The termination of employment of security guards and other private security personnel prior to the expiration of the Service Agreement shall be governed by Articles 297, 298, and 299 (formerly 282, 283, and 284 of the Labor Code, as renumbered).

In case the termination of employment is caused by the pre-termination of the Service Agreement not due to any authorized cause under Article 298 (formerly 283), the right of the security guard and other private security personnel to accrued and unpaid wages and other wage-related benefits, including unremitted legal mandatory contributions such as SSS, PhilHealth, Pag-IBIG, and ECC, shall be borne by the party at fault, without prejudice to the solidary liability of the parties to the Service Agreement.

10.2. Report of Dismissal, Termination or Retirement. – The SSC/PSA shall submit a monthly report of all dismissal or termination, including retirement, effected during the month to the DOLE Regional Office having jurisdiction over its main or branch office using the prescribed form. All information gathered shall be used by the DOLE for policy and statistical purposes.

10.3. Reserved Status. – A security guard and other private security personnel may be placed in a work pool or on reserved status due to lack of service assignment after the expiration or termination of the Service Agreement with the principal where he/she is assigned, or due to the temporary suspension of security service operations, or due to valid relief from the current place of work and there is no work assignment available.

No security guard and other private security personnel can be placed in a workpool or on reserved status in any of the following situations:

- a. after expiration of a service contract, if there are other principals where he/she can be assigned;
- b. as a measure to constructively dismiss the security guard; and
- c. as an act of retaliation for filing any complaint against the employer for violation of labor laws, among others.

If after a period of six (6) months, the SSC/PSA cannot provide work or give an assignment to the reserved security guard, the latter can be separated from service and shall be entitled to separation pay as described in Subsection 7.5 (m) hereof. An assignment of the security guard and other private security personnel as a reliever for less than one-month shall not be considered as an interruption of the six (6) months period.

10.4. Retaliatory Measures. – Pursuant to Article 118 of the Labor Code, as amended, it shall be unlawful for the principal, SSC/PSA, or any party privy to the Service Agreement to refuse to pay or reduce the wages and benefits, and discharge or in any manner discriminate against any security guard and other private security personnel who has filed any complaint or instituted any proceeding on wages, labor standards violation, or has testified or is about to testify in such proceedings.

10.5. Preventive Suspension. – Subject to the constitutional rights of the workers to security of tenure and the right to be protected against dismissal except for a just and authorized cause and without prejudice to the notice requirement under Article 297 (formerly 282) of the Labor Code, as renumbered, security guards and other private security personnel may be preventively suspended if their continued employment poses a serious and imminent threat to life or property of the SSC/PSA, its principal, or the co-workers of security guards and other private security personnel.

No preventive suspension shall last longer than thirty (30) days. The SSC/PSA shall thereafter reinstate the security guard and other private security personnel to his/her former position or it may extend the period of suspension, provided that during the period of extension, the SSC/PSA shall pay the wages and other benefits due the security guard and other private security personnel.

Section 11. Conciliation-Mediation through the Single Entry Approach (SEnA). – All issues on employment, disciplinary measures, suspension, termination and compliance with labor standards and occupational health and safety standards between the SSC/PSA and its security guards and other private security personnel shall be subject to the 30-day mandatory conciliation-mediation or the Single Entry Approach (SEnA) of the DOLE pursuant to Republic Act No.10396.

Section 12. Industry Incentives and Rewards System. - The Private Security Industry Tripartite Council (PSITC) shall established an Industry Incentives and Rewards System to recognize compliant and/or competitive SSCs/PSAs

standards of benefits and working conditions for their security guards and other private security personnel, and accordingly, established an industry category or classification of SSC/PSA with the Department of Labor and Employment.

Section 13. Oversight Function of the National Tripartite Industrial Peace Council (NTIPC) and the Private Security Industry Tripartite Council (PSITC). – The National Tripartite Industrial Peace Council through the Private Security Industry Tripartite Council shall serve as the oversight committee to monitor, verify and review the implementation and industry compliance with this Guidelines. It may propose measures, it deemed necessary, to ensure compliance with mandated employment benefits and working conditions for the security guards and other private security personnel.

Section 14. Effect on Existing Issuances and Agreements. – This issuance shall serve as guide for the DOLE and its agencies in the administration and enforcement in the security service industry of applicable labor laws, social legislation and implementing rules and regulations.

Section 15. Non-diminution of Benefits. - Nothing herein shall be construed to authorize the diminution or reduction of benefits being enjoyed by the security guards and other private security personnel at the time of the issuance of this Guidelines.

Section 16. Penal Provision. – Violation of any of the provisions of this Guidelines shall be a ground for cancellation of the SSC/PSA's certificate of registration, without prejudice to other penalties under existing laws.

Section 17. Repealing Clause. - This Guidelines supersedes Department Order No. 14, Series of 2001, and all other department orders and issuances inconsistent herewith.

Section 18. Separability Clause. – If any provision/s or portion/s of this Guidelines is/are declared void or unconstitutional, the remaining portion/s or provision/s shall continue to be valid and effective.

Section 19. Effectivity. – This Guidelines shall take effect immediately after its publication in the Official Gazette or in a newspaper of national circulation.

Manila, Philippines, 09 February 2016.


ROSALINDA DIMAPIÑAS-BALDOZ
Secretary