

Republic of the Philippines DEPARTMENT OF LABOR AND EMPLOYMENT Intramuros, Manila

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EPARTMENT OF LABOR AND SMC

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Series of 2017

GUIDELINES IN THE CONDUCT OF VOLUNTARY REGULARIZATION OF EMPLOYEES

In the interest of labor justice and to encourage voluntary regularization of employees and to ensure the rights of employees to labor standards benefits, self-organization and security of tenure, the following guidelines shall be observed:

1. Receipt of Letter of Voluntary Commitment

Within five (5) days from receipt of the Letter of Voluntary Commitment from the establishment or employer, the Regional Director (RD) shall assign a Labor Laws Compliance Officer (LLCO) to conduct Joint Assessment.

2. Conduct of Joint Assessment

The LLCO shall proceed to the employer's principal office and other branches located within the area of the RD's jurisdiction, and inspect the work premises, review the employment records and interview randomly selected workers.

The LLCO shall indicate in the Notice of Results (NR) the findings on general labor standards (GLS), on occupational safety and health standards (OSHS), and on status of employees' employment. The establishment shall be given twenty (20) days to correct deficiencies on GLS and maximum period of 90 days on OSHS, based on D.O. 131-B, series of 2016.

In addition, the LLCO shall assist the establishment in preparing a Voluntary Commitment Plan (VCP) of the workers to be regularized.

3. The Voluntary Commitment Plan

The VCP shall contain the following: (a) employee's name, status of employment, date of regularization; and (b) an undertaking that it shall submit a monthly report of the status of regularization. It must include all contractor's workers deployed in the principal. The period to regularize shall be definite considering the number of workers to be regularized. Effectivity of regularization must retro-act from the date of deployment to the principal, subject to the rules of probationary employment if the workers had worked for less than six months.

The VCP shall contain a statement that during the period of regularization, employment of deployed workers shall not be terminated by the employer. Also, regularized workers shall enjoy the benefits under existing company rules and regulations and/or collective bargaining agreement.

The VCP shall be signed by both the employer and workers' representatives and acknowledged before a Notary Public.

4. Approval or Disapproval of VCP

The RD shall approve the VCP within five (5) days from the issuance of NR. A Notice of Approved VCP shall be issued immediately to the establishment.

If the VCP is disapproved, the Notice of Disapproval shall indicate the reason/s thereof. The RD shall call the employer and workers' representatives for a conference within five (5) days from disapproval for amendment purposes. The establishment shall be represented by its duly authorized representative. After the conference, the RD shall immediately issue a Notice of Approved VCP to the establishment.

5. Issuance of Compliance Order

Within five (5) days from the issuance of the Notice of Approved VCP, the RD shall issue a VCP Compliance Order indicating in the dispositive portion the following:

- a. Names of employees directly hired by the establishment and deployed by laboronly contractors;
- b. Period of regularization of the employees;
- c. Submission of monthly report on the status of VCP together with employment contracts, payroll of establishment which include the names of regularized employees, proof of employees' registration and remittances of Social Security System, PhilHealth, and Home Development Mutual Fund contributions; and
- d. Finality of the Compliance Order if there is failure of compliance with the VCP or submission of monthly report on the status of VCP.

6. Finality of Compliance Order

The Compliance Order to regularize all employees shall become final and executory within ten (10) days from failure of the establishment to comply with the said order.

Be guided accordingly.

Secretary