

## NEWS RELEASE

October 10, 2007

# POEA cancels license of recruiters for placement fee policy violation

The Philippine Overseas Employment Administration, as of September this year, has cancelled the license of 15 recruitment agencies for violation of the placement fee policy of the government.

Administrator Rosalinda Dimapilis-Baldoz said the licenses of these agencies were cancelled either for charging placement fees more than the amount allowed by Philippine laws or collecting fees for countries which prohibit such practice.

Baldoz identified the recruitment agencies as Tierra Mar Services Inc.; Micro Pacific Manpower Development Corporation; Ren-Glo Enterprises Placement Agency; Castle Rock Human Resources and Management Corporation; Madison Overseas Placement, Inc.; Adventure Placement and Promotion Co.; Rubies International Services, Inc.; PMAC International Management Services, Inc.; FEIMS International Manpower Services, Inc.; Future Careers Recruitment Agency, Inc.; Six C's Manpower Centre, Inc.; RDRI International Manpower; Skyline International Placement Agency, Inc.; Town international Manpower Services, Inc.; and Blue Bay Employment Services, Inc.

Section 2 b, Rule 1, Part 6 of the 2002 POEA Rules and Regulations prohibits "charging or accepting directly or indirectly any amount greater than that specified in the schedule of allowable fees prescribed by the Secretary, or making a worker pay any amount greater than that actually received by him as a loan or advance."

POEA Governing Board Resolution No. 2, series of 1998, Department Order No. 34, Series of 1996, and POEA Memorandum Circular No. 14, Series of 1999 authorize a recruitment agency to collect from its hired workers "an amount equivalent to one month salary, exclusive of documentation and processing costs".

Section 2 c, Rule 1, Part 6 of the 2002 POEA Rules and Regulations defines "charging or collecting placement fee for deployment to countries where the prevailing system, either by law, policy or practice, do not allow the charging or collection of placement and recruitment fees", as a recruitment violation.

Countries like United Kingdom, Ireland, Norway, and the Netherlands do not allow the collection of placement fee by recruitment agencies from foreign workers. Charging placement fees from Filipino household service workers is also prohibited.

Any violation of these policies shall be a ground for cancellation or revocation of the license, Baldoz said.

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