

<b>DEPARTMENT OF LABOR AND EMPLOYMENT</b> Administrative Service Central Records Section-SSD	
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**DEPARTMENT CIRCULAR No. 3**  
Series of 2009

**Guidelines on the Procedure for Closure of  
Business, Firm or Establishment under Republic Act No. 9231**

**I. Purpose**

This Circular is being issued to guide the DOLE Regional Offices on the procedure for closure on the basis of Republic Act No. 9231 (*An Act Providing for the Elimination of the Worst Forms of Child Labor and Affording Stronger Protection for the Working Child*), particularly its Section 16 g, amending Section 16 - *Penalties* of Republic Act No. 7610 (*Special Protection of Children Against Child Abuse, Exploitation and Discrimination Act*) and Department Order No. 65-04 or the Implementing Rules and Regulations of R.A. 9231, particularly Sections 21, 23 and 24.

**II. Closure after Notice and Hearing**

In accordance with the abovementioned legal basis, the Secretary of Labor and Employment or the Regional Director may order the closure of any business, firm, or establishment found to have violated any of the provisions of R.A. 9231 more than three (3) times. Prior notice and hearing is required before the issuance of such Closure Order, unless there is a ground for immediate closure, as set forth in Section III below. The hearing for the issuance of a Closure Order shall be summary in nature.

**III. Immediate Closure**

Prior notice and hearing is not required if any of the following circumstances or grounds is present:

1. The violation of any provision of R.A. 9231 has resulted in the death, insanity, or serious physical injury of a child employed in such establishment;
2. Such firm or establishment is employing a child for prostitution or obscene or lewd shows; or
3. There is imminent danger to the life and limb of the child. *An imminent danger is a condition or practice that could reasonably be*

*expected to cause death or serious physical harm before abatement under the enforcement procedures can be accomplished. (Rule 1012.02 Occupational Safety and Health Standards)*

Under any of the above circumstances, the Secretary of Labor and Employment or the Regional Director shall order the immediate closure of the business, firm or establishment. For purposes herein, the term "immediate" shall mean a reasonable time not to exceed five (5) working days reckoned from receipt by the Regional Director of the complaint or petition for closure and relevant documentary evidence in support thereof.

Such documentary evidence shall be attached to the Notice of Closure and shall include a combination of any or all, but not limited to, the following documents as may be applicable, to wit:

1. Inspection Report
2. Proof of child's age, such as the NSO-authenticated Certificate of Live Birth;
3. Sworn Statement of the complainant-child or children and their witnesses;
4. Photographs;
5. Daily Time Records and/or Time Sheet;
6. Results of Physical and Medical Examination as issued by a competent medical practitioner;
7. Accident Report;
8. Results of ultra-violet (UV) testing for receipt of marked money by the offender during entrapment; and
9. Business License/Permit/SEC Registration of the business, firm, or establishment concerned.

In any of the above three circumstances or grounds, the prescribed procedure is a close-now-hear-later process, which shall be summary in nature. In this procedure, the Notice of Closure shall include a statement duly notifying the establishment concerned of a subsequent hearing that will be conducted to determine whether to affirm or reverse the closure order.

#### **IV. Rescue Operations in relation to closure proceedings: Presence or Participation of DOLE personnel**

Section 24 of D.O. 65-04 provides that the proceedings for closure "may be initiated *motu proprio* by the Department or upon complaint by any interested party." Thus, the closure proceedings may be initiated by the Regional Office even without a prior rescue operation or even without the presence of DOLE personnel in such an operation. The foregoing notwithstanding, the participation of the DOLE in the rescue operation is hereby encouraged.

In case a complaint or petition for closure is filed by any interested party after a rescue operation had already been conducted without the presence of DOLE personnel, the DOLE Regional Director shall take cognizance of the complaint or petition and proceed with the appropriate steps, which may include an ocular visit or inspection or investigation, to validate the existence of any ground for closure.

**V. Suppletory Application of Other Existing Laws and Relevant Issuances**


Pending promulgation of the pertinent rules and procedures implementing Section 16 of R.A. 7610, as amended by R.A. 9231, the pertinent provisions of the *Rules on Disposition of Labor Standards Cases in the Regional Offices* and the *Rules of Court of the Philippines* may be applied in the disposition of closure proceedings and other administrative cases arising from violations of the relevant provisions of R.A. 7610, as amended by R.A. 9231 and its implementing rules and regulations.

Henceforth, the Regional Offices are directed to conduct all closure proceedings pursuant to the relevant provisions of R.A. 7610, as amended by R.A. 9231, in accordance with this Circular.

Manila, Philippines ~~22~~ October, 2009.



**MARIANITO D. ROQUE**  
Secretary

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