Policy on Equivalent Rights and Protections for Outsourced Workers

1. Policy Statement

Misamis University requires that workers engaged through legitimate contractors, subcontractors, agencies, concessionaires, and other third parties receive the fundamental rights and workplace protections applicable to the work they perform. Outsourcing shall never be used to evade labor standards, weaken lawful rights, conceal an employer-employee relationship, engage in labor-only contracting, or expose workers to inferior treatment in matters of dignity, safety, non-discrimination, grievance access, and freedom from retaliation.

The University will select only qualified and legally compliant service providers, place labor-protection requirements in contracts, monitor compliance, and act on violations. Equivalent rights under this policy mean equivalent access to fundamental protections and applicable labor standards; they do not automatically make contractor personnel University employees or require identical salaries, benefits, tenure, or employment classifications where differences are lawful, objectively justified, and consistent with the service agreement and Philippine law.

2. Purpose

This policy establishes governance, due-diligence, contracting, monitoring, reporting, and corrective-action requirements to protect outsourced workers and demonstrate compliance with THE Impact Rankings SDG 8 indicator 8.2.5, ISO 21001:2018, and applicable Philippine labor and occupational safety laws.

3. Scope

The policy applies to all University units and to outsourced activities conducted on University premises, through University systems, or on the University's behalf. It covers security, janitorial, maintenance, construction, transport, food and retail concessions, information technology, recruitment, consultancy, event support, waste management, and other contracted services. It applies to contractors, subcontractors, agencies, concessionaires, and their employees or deployed personnel, including migrant and international workers where applicable.

4. Definition of Terms

Term	Operational Definition
Outsourced worker	A person employed or engaged by an independent third party to perform work or services for or within the University.
Principal	Misamis University as the entity that contracts with a service provider for a defined job, work, or service.
Contractor or subcontractor	A legally established and independent business that undertakes a specific job, work, or service and exercises the responsibilities required by law.
Legitimate contracting	A permissible arrangement in which the contractor carries on an independent business, has the required capital or investment and control, and complies with labor laws.
Labor-only contracting	A prohibited arrangement as defined by Philippine law in which the contractor lacks the required independence or merely supplies workers who perform activities directly related to the principal's main business under prohibited conditions.
Equivalent rights and protections	Equal access to fundamental labor and human-rights safeguards relevant to the workplace, without unlawful discrimination or avoidance of statutory standards.
Service agreement	The written contract between the University and the third party defining the work, term, price, responsibilities, compliance duties, monitoring, remedies, and other conditions.

5. Guaranteed Rights and Protections

Every outsourced worker performing activities for the University shall receive, through the responsible employer and supported by University oversight, the following rights and protections:

- Payment of at least the applicable minimum wage and all legally required wage-related benefits, including overtime, holiday, premium, and night-shift pay when applicable.
- Coverage and remittance of legally required social benefits, including SSS, PhilHealth, and Pag-IBIG contributions, when applicable.
- Safe and healthful working conditions, safety orientation, hazard information, appropriate personal protective equipment at no cost, emergency arrangements, and the right to report unsafe conditions.
- Security of tenure and due process consistent with the worker's employment relationship and applicable law.
- Freedom of association, self-organization, collective bargaining, and lawful concerted activities.

- Equal dignity, respect, non-discrimination, freedom from harassment, forced labor, trafficking, violence, retaliation, and degrading treatment.
- Clear written employment terms and accurate information on the employer, assignment, wages, work schedule, and benefits.
- Reasonable access to rest areas, sanitation, drinking water, emergency care, and other workplace facilities necessary for health and safety.
- Access to confidential reporting and grievance mechanisms without interference from the contractor or fear of retaliation.
- Protection of personal data and control of personal identity documents.

6. Responsibilities

Responsible Party	Responsibilities
University President and senior leadership	Approve the policy, provide resources, review significant risks and violations, and ensure corrective action.
Human Resource Management Office	Advise on labor standards, receive reports, coordinate worker protection and investigations, review employment evidence, and monitor indicators.
Purchasing and requesting units	Conduct due diligence, specify rights requirements, evaluate bids, verify contracts and registration, monitor performance, and preserve records.
Safety and Health Committee or designated OSH office	Include outsourced workers in relevant hazard controls, orientation, emergency procedures, incident reporting, and workplace inspections.
Deans directors and unit heads	Ensure day-to-day respectful treatment, safe integration, access control, supervision boundaries, and prompt escalation of concerns.
Contractor or service provider	Remain the lawful employer where applicable; pay wages and benefits; maintain records; supervise workers; comply with labor, social protection, and OSH laws; address complaints; flow requirements to subcontractors.
Outsourced workers	Follow lawful workplace and safety requirements, use reporting channels responsibly, and cooperate in investigations and corrective actions.

7. Procedures and Controls

7.1 Prequalification and Due Diligence

Verify the provider's legal personality, business permits, DOLE registration where required, relevant licenses, financial and operational capacity, and authority to perform the service.

Review labor-compliance history, pending adverse findings, OSH performance, social-benefit registration, recruitment practices, and capacity to pay lawful wages and benefits.

Confirm that the proposed arrangement is legitimate contracting and does not constitute labor-only contracting or prohibited recruitment.

Evaluate whether subcontracting will occur and require disclosure and equivalent flow-down obligations.

Apply enhanced review to higher-risk services, including security, construction, janitorial, transport, recruitment, and labor-intensive operations.

7.2 Contract Requirements

Every applicable service agreement shall identify the specific work, duration, work location, contract amount, administrative fee or cost structure where required, responsible parties, and the workers' rights and protections. It shall require compliance with labor standards, social benefits, occupational safety and health, non-discrimination, data privacy, grievance access, record availability, audit cooperation, subcontractor controls, corrective action, indemnity or bonds where appropriate, and lawful suspension or termination for serious or repeated violations.

7.3 Mobilization and Orientation

Before deployment, obtain an authorized worker list and evidence of lawful engagement, age and identity verification, required clearances, training, and qualifications.

Provide outsourced workers with site orientation, emergency procedures, reporting channels, applicable conduct standards, and information on their rights under this policy.

Ensure the contractor identifies an accountable supervisor and provides workers with understandable employment and assignment terms.

Do not retain original passports, identification cards, ATM cards, or other personal documents.

7.4 Monitoring and Verification

Monitoring shall be proportionate to risk and may include document review, worker interviews conducted without contractor interference, workplace inspection, time and payroll sampling, verification of social-benefit remittances, incident review, and examination of

grievances and corrective actions. The University shall respect privacy and collect only information necessary for compliance.

Area	Examples of Verification
Wages and working time	Payroll summaries, payslips, time records, overtime authorization, lawful deductions, and timely payment.
Benefits	Proof of SSS, PhilHealth, and Pag-IBIG coverage and remittances where applicable.
Employment terms	Written contracts, job assignments, employer identity, tenure and due-process records.
Safety and health	Orientation, risk assessment, PPE, incident records, emergency participation, medical surveillance where required.
Dignity and equality	Complaint trends, non-discrimination controls, harassment prevention, facility access, and worker interviews.
Freedom and voice	Grievance access, non-retaliation, freedom of association, worker representation, and resolution records.

7.5 Reporting Investigation and Protection

Outsourced workers may report concerns to their employer or directly to the University's HR, Purchasing Office, Safety and Health Office, Quality Assurance Office, Legal Office, requesting unit, or another formally announced channel. Reports may be anonymous where practicable. The University shall protect good-faith reporters from retaliation within its control, assess immediate safety and wage risks, coordinate an impartial review, preserve evidence, and refer matters to DOLE or other competent authorities when required.

7.6 Corrective and Remedial Action

Where noncompliance is identified, the University may require wage or benefit restitution, correction of records, provision of PPE or training, removal of unlawful fees or deductions, reinstatement or other lawful relief by the responsible employer, protection from retaliation, a time-bound corrective-action plan, closer monitoring, suspension of deployment, withholding of payment as lawfully permitted, contract suspension or termination, disqualification, or referral to authorities. Action should protect affected workers and avoid abrupt measures that would unnecessarily worsen their position.

8. Records and Documented Information

Record	Custodian	Minimum Content
Approved policy and revisions	Document Controller	Approval, effectivity, revision history, communication and controlled access.
Due-diligence file	Purchasing and requesting unit	Registration, permits, capacity, compliance

		checks, risk rating and approval.
Service agreement	Purchasing or contract custodian	Scope, price, term, rights clauses, monitoring, remedies and subcontracting controls.
Worker deployment and orientation	Contractor and concerned unit	Authorized list, qualifications, orientation, clearances and acknowledgement.
Monitoring records	HR, Purchasing, OSH and concerned units	Payroll or benefit verification, inspections, interviews, findings and follow-up.
Complaints and case records	Designated case custodian	Report, assessment, protection, investigation, outcome and corrective action.
Management Review records	QA and responsible offices	Indicators, trends, risks, decisions, responsibilities and completion status.

9. Monitoring Evaluation and Continual Improvement

Indicator	Target or Expected Control
Applicable contracts containing worker-rights clauses	100 percent
Outsourcing providers completing prequalification and due diligence	100 percent
Outsourced workers receiving site and rights orientation	100 percent of deployed workers
Applicable payroll and statutory-benefit checks completed	100 percent according to risk-based schedule
Credible complaints receiving documented assessment	100 percent
Confirmed violations with completed corrective or remedial action	100 percent
Retaliation against good-faith reporters	Zero tolerance
Annual policy and outsourcing-risk review	Completed and presented to appropriate management review or governance body

Results shall be evaluated at least annually through appropriate Management Review or governance channels. Changes in law, audit findings, complaints, worker feedback, contractor performance, incidents, and stakeholder expectations shall be used to improve controls, contract clauses, training, and provider selection.

10. Noncompliance and Consequences

Violations may lead to corrective-action requirements, restitution, increased monitoring, removal of personnel from a University assignment, suspension or termination of a service agreement, supplier disqualification, claims against a bond, recovery of loss, or referral to competent authorities. Measures shall observe due process and applicable contract and labor law. Serious violations involving unpaid wages, unsafe work, retaliation, labor-only contracting, forced labor, trafficking, or falsified records require immediate escalation.

11. Review and Approval

HR, Purchasing, Quality Assurance, Safety and Health, Legal or designated compliance personnel, and concerned stakeholders shall review this policy at least every three years and earlier when required by legal, operational, contractual, audit, or risk changes. Revisions take effect only after approval under the University document-control process.

12. Philippine Legal Basis

The principal Philippine rules relevant to outsourcing and worker protection include:

Legal Authority	Relevance to the University
Labor Code Articles 106 to 109	Regulate contracting and subcontracting; authorize protection against prohibited arrangements; provide for principal responsibility in specified circumstances, a possible wage bond, and solidary liability for Code violations.
DOLE Department Order No. 174 Series of 2017	Governs permissible contracting, prohibits labor-only contracting and other prohibited practices, requires contractor registration, and recognizes contractor employees' rights to labor standards, social benefits, security of tenure, self-organization, collective bargaining and lawful concerted activities.
Republic Act No. 11058	Requires employers, contractors, subcontractors and persons controlling work to provide a safe and healthful workplace, orientation, hazard information, OSH compliance, worker participation, and emergency measures.
DOLE Department Order No. 198 Series of 2018	Implements Republic Act No. 11058 and operationalizes occupational safety and health duties and rights.
Social Security Act National Health Insurance Act and Pag IBIG law	Require applicable employer registration, coverage, contributions and remittances for statutory social protection.

Other applicable laws	Minimum wage orders, wage and hour rules, anti-discrimination and anti-harassment laws, Data Privacy Act, Anti-Trafficking in Persons Act, and relevant licensing or sector requirements.

Legal interpretation should be confirmed by the University's legal counsel and HR against the current text of laws, regulations, wage orders, and DOLE issuances before final approval or use in a specific contract.

13. Related University Documents

- Manual on Governance, Administrative Handbook and applicable HR policies
- Procurement policy and supplier accreditation procedure
- Code of conduct, grievance, anti-discrimination and anti-retaliation procedures
- Occupational safety and health program and emergency procedures
- Risk management, internal audit, corrective action and document-control procedures
- Policy Against Forced Labour Modern Slavery Human Trafficking and Child Labour

APPROVED BY:

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