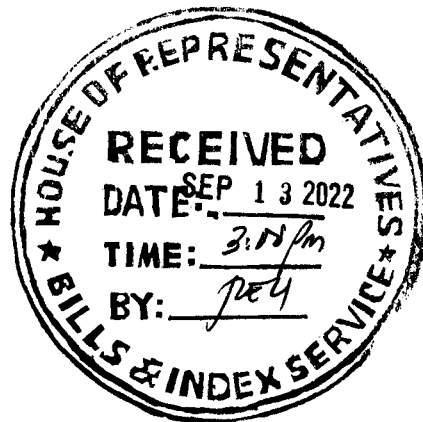




Republic of the Philippines
House of Representatives
Quezon City, Metro Manila

NINETEENTH CONGRESS
First Regular Session

HOUSE BILL No. **4757**



Introduced by **HONORABLE ERNESTO "ERNIX" M. DIONISIO, JR.**

EXPLANATORY NOTE

In the Philippines, one of the issues that our country faces is unemployment. In 2020, the Philippine Statistics Authority (PSA) stated that the unemployment rate in the Philippines reached 17.7 percent. Further, the PSA stated that this unemployment rate was record high. Taking into consideration that in 2020, the COVID-19 pandemic began¹.

In 2022, two years into the pandemic, the unemployment rate of the Philippines dropped to 6.0 percent². Despite the drastic drop in the percentage rate and considering that we are still facing a pandemic, there is still concern growing with regard to the unemployment rate in the country.

It is the duty of the State as provided for by the Constitution³ to provide employment to the people:

SECTION 9. The State shall promote a just and dynamic social order that will ensure the prosperity and independence of the nation and free the people from poverty through policies that provide adequate social services, promote full employment, a rising standard of living, and an improved quality of life for all.

¹ Highlights of the April 2020 Labor Force Survey at <https://psa.gov.ph/content/employment-situation-april-2020> (last accessed September 12, 2022).

² Employment Rate in May 2022 is Estimated at 94.0 at <https://psa.gov.ph/content/employment-rate-may-2022-estimated-940-percent#:~:text=The%20country's%20unemployment%20rate%20dropped,5.7%20percent%20in%20April%202022.> (last accessed September 12, 2022).

³ Section 9, Article II, 1987 Constitution.

In relation to the topic of employment, the Department of Trade and Industry in 2020 stated that the Micro, Small and Medium Enterprises (MSMEs) generated a total of 5,380,815 jobs or 62.66% of the country's total employment rate⁴.

This bill aims to decrease the unemployment rate of the Philippines and to promote MSMEs by including them under the coverage of the Public Employment Service Office (PESO) law. Further, this bill aims to create an entrepreneurial service in the barangay level, which shall be named as the Barangay Employment and Entrepreneurship Service Office (BEESO). This will create a more efficient way of connecting job employment to those who are seeking employment. For this reason, immediate approval of this bill is necessary.



ERNESTO "ERNIX" M. DIONISIO, JR.
Assistant Majority Floor Leader
Congressman
First Congressional District of Manila

⁴ 2020 MSME Statistics at <https://www.dti.gov.ph/resources/msme-statistics/> (last accessed September 12, 2022).



Republic of the Philippines
House of Representatives
Quezon City, Metro Manila

NINETEENTH CONGRESS
First Regular Session

HOUSE BILL No. 4757

Introduced by HONORABLE ERNESTO “ERNIX” M. DIONISIO, JR.

AN ACT

FURTHER AMENDING REPUBLIC ACT NO. 8759, OTHERWISE KNOWN AS THE PUBLIC EMPLOYMENT SERVICE OFFICE ACT OF 1999, AS AMENDED, TO INCLUDE ENTREPRENEURSHIP IN THE SCOPE OF THE LAW, TO RENAME THE PRESENT PUBLIC EMPLOYMENT SERVICE OFFICE (PESO) INTO THE PUBLIC EMPLOYMENT AND ENTREPRENEURSHIP OFFICE (PEESO), AND TO ESTABLISH THE BARANGAY EMPLOYMENT AND ENTREPRENEURSHIP OFFICES (BEESO) NATIONWIDE, DEFINING ITS ROLE WITHIN THE EXISTING NETWORK

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. Section 3 of Republic Act No. 8759, otherwise known as the ‘Public Employment Service Office Act of 1999’, as amended by Republic Act No. 10691, is hereby further amended to read as follows:

“SEC. 3. Establishment of the Public Employment and Entrepreneurship Service Office AND THE Barangay Employment and Entrepreneurship Office. – To carry out the above declared policy, there shall be established in all provinces, cities, and municipalities a Public Employment and Entrepreneurship Service Office, hereinafter referred to as ‘PEESO’.

To support the Provincial and Municipal PEESO, a Barangay Employment and Entrepreneurship Office, herein referred to as ‘BEESO’, shall be established in all barangays nationwide. The BEESO shall extend the reach of the Municipal PEESO to the rural areas where the bulk of employment mode is not wage-based but based on self-employment and availment of livelihood opportunities. The creation of the BEESO seeks to help improve the access of the rural workforce to employment and entrepreneurship services.

The PEESO AND THE BEESO shall be operated and maintained by local government units (LGUs). The **PEESOs and the BEESOs** shall be linked to the regional offices of the Department of Labor and Employment (DOLE) for coordination and technical supervision, and to the DOLE central office, to constitute the national public employment **and entrepreneurship** service network.

The **PEESO OR BEESO, AS THE CASE MAY BE**, shall be under the office of the governor, city municipal mayor, and barangay chairman. The **PEESO OR BEESO, AS THE CASE MAY BE**, shall be initially organized by and composed of a **PEESO OR BEESO** manager and may be assisted by a labor and employment officer (LEO) as may be determined by the LGU.

Upon the request of accredited Non-Governmental Organizations (NGOs) or Educational Institutions (EIs), the DOLE may enter into a Memorandum of Agreement for the NGO and EI to establish, operate and maintain a **PEESO AND BEESO** and a job placement office, respectively.

To harmonize the provision of employment **and entrepreneurship** services in a given territorial jurisdiction, the **PEESO AND BEESO** at the NGOs and the job placement office in EIs shall coordinate their activities with the appropriate LGU **PEESO OR BEESO, AS THE CASE MAYBE."**

SECTION 2. Section 4 of RA 8759, as amended by RA 10691, is hereby amended to read as follows:

"SEC. 4. Objectives of the PEESO AND BEESO. - In general, the PEESO AND BEESO shall ensure the prompt, timely, and efficient delivery of employment **and entrepreneurial** services and provision of information on the other DOLE programs.

Specifically, the **PEESO/BEESO** shall:

- (a) Provide a venue where people could explore simultaneously various wage employment **and entrepreneurial** option and [actually] seek the assistance they prefer;
- (b) Serve as referral and information center for the various services and programs of DOLE and other government agencies present in the area;
- (c) Provide clients with adequate information on **entrepreneurship**, employment, and labor market situation in the area;
- (d) Network with other PEESOs AND BEESOs within the region on employment for job exchange purposes[.] **AND WITH OTHER GOVERNMENT, NON-GOVERNMENT AGENCIES AS WELL AS WITH THE PRIVATE AND BUSINESS SECTORS FOR INFORMATION EXCHANGE AND ENTREPRENEURIAL OPPORTUNITIES."**

SECTION 3. Section 5 of RA 8759, as amended by RA 10691, is hereby further amended to read as follows:

“SEC. 5. *Functions of the **PEESO AND BEESO**.* The PEESO and BEESO shall have the following functions:

- (a) Encourage employers to **REGULARLY** submit to the **PEESO AND BEESO** [on a regular basis] a list of job vacancies in their respective establishments in order to facilitate the exchange of labor market information between job seekers and employers by providing employment information services to job seekers, both for local and overseas employment, and recruitment assistance to employers;
- (b) Develop and administer testing and evaluation instruments for effective job selection, training, and counselling;
- (c) **SERVE AS VENUE FOR CONVERGENCE BY THE APPROPRIATE AGENCIES TO** [P]provide persons with [qualities] **entrepreneurship enhancement interventions**, access to the various livelihood and self-employment and information programs offered by both government and non-governmental organizations at the provincial, city, municipal, and barangay levels by undertaking referrals for such program;
- (d) Undertake employability enhancement training[s] or seminars for job seekers, as well as those who would like to change careers or enhance their employability;
- (e) Provide employment or occupational counseling, career guidance, mass motivation, and values development activities;
- (f) Conduct pre-employment counseling and orientation to prospective local and, most especially, overseas workers;
- (g) Provide reintegration assistance services to returning Filipino migrant workers;
- (h) Prepare and submit to the local Sanggunian an annual employment **facilitation** plan and budget including other regular funding sources and budgetary support of the **PEESO AND THE BEESO**; [and]
- (i) **Refer job applicants who may need further training or retraining to the Technical education and skills development authority (TESDA) Community Training for Employment Coordinator (CTEC) and other training or educational institutions; AND,**
- (j) “Perform such functions as to fully carry out the objectives of this Act.”

SECTION 4. Section 6 of RA 8759, as amended by RA 10691, is hereby further amended to read as follows:

*“SEC. 6. Other Services of the **PEESO AND BEESO**. – In addition to the functions enumerated in the preceding section, **THE PROVINCIAL PEESO SHALL CONDUCT PERIODIC JOB CLEARANCE MEETINGS WITH ALL THE MUNICIPAL AND CITY PEESOS WITHIN ITS AREA OF JURISDICTION FOR THE PURPOSE OF ELIMINATING DUPLICATIONS IN ACCOMPLISHMENT REPORTING TO THE DOLE AND THE LGUS. THE MUNICIPAL PEESO SHALL LIKEWISE EXERCISE THE ABOVE FUNCTION IN RELATION TO THE BEESOS. MOREOVER,** every **PEESO AND BEESO** shall undertake holistic strategies, programs, and activities to transform the **PEESO AND BEESO** into a modern public employment **and entrepreneurship** service intermediary that provides multi-dimensional employment and entrepreneurship facilitation services.”*

SECTION 5. Section 7 of RA 8759, as amended by RA 10691, is hereby further amended to read as follows:

*“SEC. 7. Role of the DOLE and the LGUs. – The LGUs, in coordination with the DOLE, shall establish the **PEESO AND BEESO**.*

It shall be the responsibility of the DOLE to:

- a) Provide technical supervision, coordination, and capacity building to the **PEESO AND BEESO**;*
- b) Establish and maintain **AN UPDATED** computerized human resource and job registries to facilitate the provision and packaging of employment assistance to **PEESO AND BEESO** clients and the setting-up of intra- and inter[regional]-**geographical** job clearance systems as part of the overall employment network;*
- c) Provide technical assistance and allied support services to the **PEESO AND BEESO** including, but not limited to, the training of **PEESO AND BEESO** personnel in the various aspects of employment **and entrepreneurship** facilitation functions;*
- d) Set standards for the establishment and operation of the **PEESO AND BEESO** office and qualification standards for the **PEESO AND BEESO** personnel;*
- e) Extend other packages of employment **and entrepreneurship** services to the LGU, NGO or EI concerned, including the conduct of job fairs, career development seminars, **entrepreneurship interventions**, and other activities; and*
- f) Monitor, assess, and evaluate the performance of the **PEESO AND BEESO**, including the job placement offices in EIs.*

For their part, persons who are seeking employment, particularly the unemployed, shall register at the **PEESO/BEESO** for employment **and entrepreneurship** facilitation assistance. The establishments, on the other hand, shall submit their job vacancies as well as applicants hired to the **PEESO AND BEESO** to ensure the availability of accurate

information on supply and demand situation for various **occupations as well** as skills in the labor market.

The LGU shall establish a monitoring system wherein establishments operating in the locality shall report the following relevant labor market information to the concerned office of the LGU:

- a) Present number and nature of jobs[:], **self-employment, livelihood opportunities**; and,
- b) Projection of jobs that the establishment will provide or offer in the next five (5) years;

Provided that, [T]the information shall be submitted to the **PEESO AND BEESO** for job matching and to EIs for career guidance of the students. **PROVIDED FURTHER THAT**, [I]it shall be the responsibility of the concerned LGU to:

- (i) Operate and maintain the **PEESO AND BEESO**;
- (ii) Ensure compliance with the operational standards set by the DOLE;
- (iii) Extend such assistance and services as may be necessary in the promotion of employment **and entrepreneurship** within the area of jurisdiction; and,
- (iv) Submit to the DOLE periodic performance and accomplishment reports.”

SECTION 6. Section 8 of RA 8759, as amended by RA 10691, is hereby amended to read as follows:

SEC. 8. *Administration of the **PEESO AND BEESO** Program.* - The DOLE shall be primarily responsible for the administration of the **PEESO AND BEESO** Program through its Bureau of Local Employment, as well as its regional offices throughout the country. The Secretary of Labor and Employment, in coordination with the Department of the Interior and Local Government and in consultation with the presidents of the various local government leagues, namely the League of Provinces, the League of Cities, the League of Municipalities, and the League of Barangays, **AND IN CONSULTATION WITH THE DEPARTMENT OF TRADE AND INDUSTRY, DEPARTMENT OF SCIENCE AND TECHNOLOGY, AND SUCH OTHER GOVERNMENT AGENCIES AND INSTRUMENTALITIES WHICH OFFER PROGRAMS ON EMPLOYMENT, LIVELIHOOD, AND ENTREPRENEURSHIP**, shall accordingly promulgate, within ninety (90) days from the effectivity of this Act, the necessary rules and regulations for the effective implementation of the [Program] **ACT.**”

SECTION 7. Section 9 of RA 8759, as amended by RA 10691, is hereby further amended to read as follows:

“SEC. 9. *Funding.* – The funding for the operation and maintenance of the **PEESO AND BEESO** shall be provided by the LGU

from its internal revenue allotment and other internally generated income of the LGU concerned. Likewise, the operation and maintenance of the **NGO PEESO AND BEESO** and job placement offices of EIs shall be charged against their internally generated income.

Funds for the provision of technical assistance, training, and supervision of the PESO shall be included in the budget of the DOLE in the annual General Appropriations Act.

The amount necessary to implement the provisions of this Act shall be included by the Department of Budget and Management in the annual General Appropriations Act.”

SECTION 8. *Implementing Rules and Regulations.* – The Secretary of the Department of Labor and Employment, in coordination with the Department of Interior and Local Government, the Department of Trade and Industry, the Department of Science and Technology and such other relevant government agencies and instrumentalities, shall issue the necessary rules and regulations for the effective implementation of this Act within ninety (90) days after its effectivity.

SECTION 9. *Separability Clause.* – If for any reason, any section or provision of this Act or any part thereof, or the application of such section, provision or portion is declared invalid or unconstitutional, the remainder thereof shall not be affected by such declaration.

SECTION 10. *Repealing Clause.* – All laws, decrees, executive orders, proclamations, rules and regulations or any part thereof, which are inconsistent with the provisions of this Act, are hereby deemed repealed or modified accordingly.

SECTION 11. *Effectivity.* – This Act shall take effect after fifteen (15) days from the date of its publication in the Official Gazette or in at least two (2) newspapers of general circulation.

Approved,