

Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City, Metro Manila



**TWENTIETH CONGRESS**  
*First Regular Session*

**HOUSE BILL NO. 1738**

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Introduced by **Representative Ryan S. Recto**

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#### **EXPLANATORY NOTE**

This legislative measure seeks to expand the unemployment insurance or involuntary separation benefits provided to members of the Social Security System (SSS) by amending Republic Act No. 11199, otherwise known as the "*Social Security Act of 2018*".

In recognition of the profound financial and psychological challenges confronting individuals who lost their jobs unexpectedly, the proposed bill shall expand such benefits by substantially increasing the monthly cash payments to one hundred percent (100%), instead of the existing fifty percent (50%). The measure also extends such provision from two (2) months to three (3) months as a way to provide for a more realistic level of financial assistance.

While our country's labor market continues to demonstrate resilience, the overall unemployment rate as of May 2025 stands at 3.9%, according to the Philippine Statistics Authority (PSA). This accounts for 2.03 million Filipinos without a job. This reality underscores the great vulnerability of many citizens and their households to various economic shocks. Job loss immediately causes a sharp decline in household income and leads to reduced consumer spending. This contraction can affect various sectors, thus slowing down economic activity. Not only that, but prolonged unemployment increases the risk of poverty as it depletes savings.

*The Social Security Act of 2018* introduced unemployment benefits as a safety net for contributors who find themselves without a source of income. However, this may prove to be insufficient to sustain individuals and their families should prolonged periods of job searching occur. As seeking new gainful employment may take longer than initially anticipated, the proposed changes could empower job seekers as they no longer have to be burdened with the immediate and overwhelming financial strain that often goes hand-in-hand with job loss.

This proposed measure is a clear reflection of the State's commitment to a more robust social security system that truly serves the welfare of its people and protects them in times when they are most vulnerable. Not only are we strengthening the current mechanisms that we have today, but we are also fostering a more trustworthy social security system that Filipinos can rely on.

In view of the foregoing, the immediate passage of this bill is earnestly sought.



**Ryan S. Recto**  
**Representative**  
6<sup>th</sup> District, Batangas

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**AN ACT**  
**ENHANCING THE UNEMPLOYMENT INSURANCE OR INVOLUNTARY SEPARATION**  
**BENEFITS, AMENDING FOR THE PURPOSE SECTION 14-B OF REPUBLIC ACT NO.**  
**11199, OTHERWISE KNOWN AS THE "SOCIAL SECURITY ACT OF 2018"**

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

Section 1. *Short Title.* – This Act shall be known as the "*Enhanced Unemployment Insurance Act*".

SEC. 2. Section 14-B of Republic Act No. 11199 is hereby amended to read as follows:

"SEC. 14-B. *Unemployment Insurance or Involuntary Separation Benefits.* – A member who is not over sixty (60) years of age who has paid at least thirty-six (36) months contributions twelve (12) months of which should be in the eighteen-month period immediately preceding the involuntary unemployment or separation shall be paid benefits in the form of monthly cash payments equivalent to ~~[fifty percent (50%)]~~ **ONE HUNDRED PERCENT (100%)** of the average monthly salary credit for a maximum of ~~[two (2)]~~ **THREE (3)** months: *Provided*, That an employee who is involuntarily unemployed can only claim unemployment benefits once every three (3) years: *Provided*, further, That in case of concurrence of two or more compensable contingencies, only the highest benefit shall be paid, subject to the rules and regulations that the Commission may prescribe."

SEC. 3. *Implementing Rules and Regulations (IRR).* – The Social Security Commission shall promulgate the necessary rules and regulations to implement this Act not later than ninety (90) days after its effectivity.

SEC. 4. *Repealing Clause.* – All laws, acts, decrees, executive orders, issuances, and rules and regulations or parts thereof which are contrary to and inconsistent with this Act are hereby repealed, amended or modified accordingly.

SEC. 5. *Effectivity.* – This Act shall take effect fifteen (15) days after its complete publication in the Official Gazette or in at least two (2) newspapers of general circulation.

*Approved,*