

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

TWENTIETH CONGRESS
First Regular Session

House Bill No. 2766



Introduced by Representative

BRIAN POE, PhD, MNSA

**AN ACT ESTABLISHING CAREER TRANSITION PROGRAMS FOR WORKERS
DISPLACED BY AUTOMATION, ECONOMIC SHIFTS, AND INDUSTRY CHANGES,
AND APPROPRIATING FUNDS THEREFOR**

EXPLANATORY NOTE

The global workforce is undergoing a profound transformation brought about by the accelerating impact of automation, artificial intelligence (AI), and technological advancement. In recent years, the World Economic Forum's Future of Jobs Report has highlighted that as much as 40% of all working hours may be affected by AI technologies, particularly large language models such as ChatGPT.¹ Traditional roles in clerical work, manufacturing, and customer service are among those projected to decline significantly, while new opportunities in digital, green, and data-driven sectors continue to emerge.

In the Philippine context, thousands of workers are at risk of displacement as industries shift, businesses adapt to new technologies, and the economy responds to global trends. Without timely intervention, this displacement may lead to rising unemployment, deepening inequality, and long-term economic insecurity for affected Filipino families. Moreover, older

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https://www.weforum.org/stories/2023/05/jobs-lost-created-ai-gpt/?gad_source=1&gad_campaignid=22234048793&gbraid=0AAAAAoVy5F6qDNPhi4-hWGuz0UI4F6ErJ&gclid=Cj0KCQjwhafEBhCcARIsAEGZEK LkJzFnztMHAGLwDoNLt05LMORGmDnA2rxkOj7LHb1_umIGGOZG8eEaAjb7EALw_wcB

workers—especially those aged 45 and above—often face greater difficulties in adapting to such rapid changes due to barriers in access to training or age-related employment biases.

This proposed measure seeks to proactively address these challenges by establishing a comprehensive set of career transition programs for workers displaced by automation, economic shifts, and industry decline. The bill mandates the Department of Labor and Employment (DOLE), in partnership with the Technical Education and Skills Development Authority (TESDA), the Commission on Higher Education (CHED), and other private and public sector partners, to provide free retraining and upskilling opportunities, job placement services, financial support, mental health care, and entrepreneurship assistance.

Recognizing the difficulties faced by displaced workers, the bill also includes provisions for temporary wage subsidies to support individuals actively participating in transition programs. It envisions the creation of an online job-matching platform and access to career guidance, financial literacy workshops, and mental health services. Furthermore, it introduces low-interest loans for those who wish to transition into self-employment or small-scale entrepreneurship.

In line with the principles of shared responsibility, the measure requires private corporations with over 100 employees to allocate at least five percent of their new job openings to qualified displaced workers engaged in official career transition programs. This ensures that the private sector becomes a critical partner in rebuilding livelihoods and restoring the dignity of labor.

This proposed legislation affirms the constitutional policy of the State to promote full employment and equal opportunity for all. By investing in human capital and preparing the Filipino workforce for the realities of the digital age, the Career Transition Assistance Act aims to strengthen national resilience, reduce unemployment, and help secure a more inclusive and future-ready economy.

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


HON. BRIAN POE PhD, MNSA
Representative
FPJ Panday Bayanihan Party-List

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

SECTION 1. Short Title. – This Act shall be known as the "Career Transition Assistance Act."

SECTION 2. Declaration of Policy. – It is the policy of the State to promote full employment and equality of opportunity for all Filipinos. Recognizing the challenges brought by automation, technological advancements, economic shifts, and industry transitions, the State shall establish programs to support displaced workers in adapting to new industries and ensure their continued participation in the workforce.

SECTION 3. Definition of Terms. – For purposes of this Act, the following terms are defined as follows:

1. Displaced Workers – Employees who have lost their jobs due to automation, economic downturns, industry decline, or business closures.

2. Career Transition Program – A set of services designed to assist displaced workers in retraining, upskilling, job placement, and entrepreneurship.
3. Partner Institutions – Refers to government agencies such as TESDA and CHED, as well as private corporations, educational institutions, and industry groups that will collaborate to implement the programs under this Act.

SECTION 4. Establishment of Career Transition Programs. – The Department of Labor and Employment (DOLE), in partnership with TESDA, CHED, and private sector partners, shall establish and implement career transition programs, including but not limited to:

1. Free Retraining Programs – Skills development and certification in high-demand industries such as information technology, renewable energy, healthcare, and e-commerce.
2. Temporary Wage Subsidy – A financial support program providing up to six (6) months of wage subsidy for displaced workers actively participating in career transition programs. Min wage
3. Job-Matching Platform – An online government-endorsed platform to connect displaced workers with available job opportunities in both the public and private sectors.
4. Career Counseling and Financial Literacy – Workshops and one-on-one services to guide workers in career planning, job search strategies, and financial management.
5. Mental Health Support Services – Counseling and mental health services for workers dealing with job loss, stress, and career uncertainty.
6. Low-Interest Loans for Entrepreneurship – Financial assistance for displaced workers seeking to start small businesses, offered through government financial institutions.

SECTION 5. Support for Older Workers. – Special priority shall be given to workers aged forty-five (45) and above who face greater challenges in re-entering the workforce. Tailored programs, such as mentorships, industry-specific retraining, and flexible work options, shall be developed for this group.

SECTION 6. Mandatory Allocation of Job Openings. – All private corporations with more than one hundred (100) employees shall allocate at least five percent (5%) of their new job

openings for qualified displaced workers undergoing career transition programs, subject to reasonable qualifications and standards.

SECTION 7. Funding. – The amount necessary to implement this Act shall be included in the annual General Appropriations Act (GAA). Additional funding may be sourced from the Philippine Amusement and Gaming Corporation (PAGCOR), the Philippine Charity Sweepstakes Office (PCSO), and official development assistance (ODA).

SECTION 8. Implementing Rules and Regulations (IRR). – Within ninety (90) days from the effectivity of this Act, the DOLE, in coordination with TESDA, CHED, DTI, and other relevant agencies, shall promulgate the IRR necessary for the effective implementation of this Act.

SECTION 9. Separability Clause. – If any provision of this Act is declared unconstitutional or invalid, the remaining provisions shall remain in full force and effect.

SECTION 10. Repealing Clause. – All laws, executive orders, and rules inconsistent with this Act are hereby repealed or modified accordingly.

SECTION 11. Effectivity. – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,


HON. BRIAN POE, PhD, MNSA
Representative
FPJ Panday Bayanihan Party-List