

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session



HOUSE BILL NO. 3218

Introduced by **HON. BRIAN RAYMUND S. YAMSUAN**

AN ACT
PROVIDING FOR FINANCIAL LITERACY AND FRAUD PREVENTION
PROGRAMS FOR FILIPINO WORKERS

EXPLANATORY NOTE

The 1987 Philippine Constitution declares that the State shall afford full protection to labor,¹ protect the rights of workers, and promote their welfare.² In the ever-changing landscape of the Philippine workforce, it is essential not only to ensure adequate employment opportunities, but also to establish support and follow-through mechanisms that prioritize the financial well-being and security of the Filipino worker.

Financial literacy may be defined as having the knowledge and skills needed to facilitate informed financial decisions about managing one's money and financial resources, including savings, investments, loans, among others.³ A financially literate workforce is vital in propelling economic resilience and development of a country as a whole. However, according to a study by S&P Rating Services in 2014, touted as the 'most extensive measurement of global financial literacy to date,' the Philippines is among the lowest 30 out of the 144 countries surveyed in terms of financial literacy. Consequently, a survey by the Bangko Sentral ng Pilipinas in 2021 showed that only 2% of surveyed Filipino adults correctly answered all questions on basic financial

¹ 1987 Constitution, Article XIII, Section 3.

² 1987 Constitution, Article II, Section 18.

³ <https://www.csmd.edu/costs-aid/financial-literacy/index.html#:~:text=Financial%20literacy%20is%20a%20set,%2C%20planned%20spending%2C%20and%20investments.>

literacy.⁴

With a significant percentage of Filipinos not having the proper financial education, the Philippines has also witnessed a rise in financial scams and fraudulent activities targeting unsuspecting individuals. In 2021, 11% of Filipino adults lost money due to lottery or prize scams, investment scams, and phishing tactics.⁵ A 2025 report by the nonprofit organization Global Anti-Scam Alliance found that Filipinos lost nearly P460 billion in 2024 due to text messaging scams.⁶

Republic Act No. 10922 or the *Economic and Financial Literacy Act* sought to develop national consciousness on economic and financial literacy by declaring the second week of November of every year as “Economic and Financial Literacy Week”. It further mandated all public and private elementary and secondary schools under the Department of Education, the state and private colleges and universities under the Commission on Higher Education, the Technical Education and Skills Development Authority, and the National Youth Commission to conduct consciousness-raising and knowledge-expanding activities on economic and financial literacy. However, these efforts are more focused on the education sector and not the labor force.

In the 2nd District of Parañaque, there are multiple livelihood initiatives and programs such as *Bigay Negosyo*, *Dagdag Puhunan Para sa Kabuhayan*, and *Jobs & Uptraining for the Modern Pinoy* or *JUMP* program. These programs aim to connect beneficiaries to much needed resources to help them start or grow their own business. However, while these initiatives provide valuable material and financial support, there is also a pressing need to complement them with the development of essential soft skills, particularly in financial literacy, to promote long-term financial security and ensure the effective use of the assistance they receive. This is consistent with the discussion paper by the Bangko Sentral ng Pilipinas that emphasized the need to increase financial education programs, particularly retirement planning and saving.⁷

Thus, enhancing financial literacy is necessary in empowering all workers, not only by educating them to recognize and safeguard themselves from fraudulent schemes, but also by educating them to ensure that they have a good understanding of the fundamental concepts of finances. Ultimately, this would allow them to make informed and sound financial decisions which can contribute to a more stable financial environment.

⁴<https://www.bsp.gov.ph/Inclusive%20Finance/Financial%20Inclusion%20Reports%20and%20Publications/2021/2021FISToplineReport.pdf>.

⁵ *Id.* at p. 68.

⁶ <https://newsinfo.inquirer.net/1993340/alarming-p460b-lost-to-scams-in-ph-says-study>;
<https://www.bworldonline.com/spotlight/2024/11/11/634054/67-of-filipinos-still-dont-report-scams-to-authoritiesgasastudy/#:~:text=A%20new%20study%20by%20the%20Global%20Anti%20Scam,2024%2C%22%20showed%20the%20need%20to%20encourage%20the>

⁷<https://www.bsp.gov.ph/Pages/MediaAndResearch/PublicationsAndReports/Discussion%20Papers/DP202413.pdf>

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



BRIAN RAYMUND S. YAMSUAN
Representative
2nd District of Parañaque

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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 “Financial Literacy and Fraud Prevention for Workers Act”.

SECTION 2. Declaration of Policy. – It is the policy of the State to serve and protect the people and promote the right of all citizens to quality education, taking into account the sectoral needs and conditions in developing such education policies and programs. This Act aims to enable a more informed citizenry, by providing workers with access to up-to-date knowledge on financial literacy, as well as fraud detection and prevention across all segments of society. Towards this end, the government shall guarantee access to financial literacy initiatives across all segments of society, and shall actively seek opportunities and partnerships to expand financial literacy initiatives, specifically reaching members of the informal sector and gig economy.

SECTION 3. Inclusive dissemination of Financial Literacy Resources. — The Department of Labor and Employment (DOLE), Department of Trade and Industry (DTI), Bangko Sentral ng Pilipinas (BSP), other relevant government agencies and government-owned and controlled corporations (GOCCs), and banking and/or credit facilities shall ensure the availability and accessibility of financial literacy materials across their various platforms.

The materials should be presented in an easily comprehensible format, and translated in Filipino and other relevant regional languages and dialects as may be determined by DOLE, to ensure a wider reach of the materials to the intended audience.

SECTION 4. Grants to Eligible Employers. – The DOLE is hereby empowered to award grants to eligible employers and working entrepreneurs through a competitive application process. The grants shall be used by said entities for conducting comprehensive financial literacy and fraud detection and prevention seminars and programs for their workforce.

SECTION 5. Application. – The DOLE shall determine the requirements and eligibility of applicants. Applicants under this Act shall prepare all the requirements as determined by the relevant office or division designated by DOLE and to be submitted to the office authorized by the same.

SECTION 6. Competitive Selection Process. – The DOLE shall establish and follow a transparent and competitive selection process for entities applying for the grants intended for the conduct of financial literacy and fraud detection and prevention programs. The application process shall be based on such predetermined criteria set by the DOLE, taking into consideration the feasibility and impact of the proposed financial literacy and fraud prevention program by the applicants.

SECTION 7. Review and Evaluation. — The DOLE shall conduct regular reviews and evaluations of the effectiveness of the implementation of the financial literacy and fraud prevention programs and the impact of the assistance on the implementers' workforce.

SECTION 8. Integration of Financial Literacy Initiatives. — Government agencies, GOCCs, and banking and credit facilities are mandated to integrate financial literacy initiatives into their operations and services where relevant. This includes, but is not limited to, organizing regular seminars for employees, and conducting preparatory sessions or lectures for loan applicants, among others.

SECTION 9. Appropriations. – The amount necessary for the initial implementation of this Act shall be sourced from the current budgets and development funds of the DOLE. Thereafter, the funds necessary for the continuous implementation of this Act in the issuing years shall be included in the respective annual appropriations of the DOLE in the General Appropriation Act.

SECTION 10. Implementing Rules and Regulations. – The DOLE in consultation with relevant agencies and stakeholders, shall issue within sixty (60) days after the effectivity of this Act, the rules and regulations for the effective implementation of this Act.

SECTION 11. Separability Clause. – If any provision of this Act or any part thereof shall be declared unconstitutional or invalid, the other provisions, as far as they are separable, shall remain in force and effect.

SECTION 12. Repealing Clause. – All laws, decrees, orders, rules and regulations or thereof which are inconsistent with the provisions of this Act are hereby repealed, amended, or modified accordingly.

SECTION 13. Effectivity. – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in at least two (2) newspapers of general circulation.

Approved,