

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 6039



Introduced by: Kababaihan Kabalikatan para sa Kapakanan at Kaunlaran ng Bayan (4K) Party-list
Representative Iris Marie D. Montes

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

EXPLANATORY NOTE

The Philippine Development Plan (PDP) 2023-2028, which aims for the country's economic transformation toward a prosperous, inclusive, and resilient society, has adopted a strategy framework, which seeks to implement a rationalized and integrated social protection (SP) system to build the resiliency and adaptive capacity of the population. The system is built in enabling Filipinos to manage individual or life cycle risks, both present and future, as well as those arising from economic uncertainties, natural or human-induced hazards, or political circumstances.

A universal and integrated SP system under the PDP include specific strategies that will protect vulnerable groups from covariate and idiosyncratic risks. Among the outcomes it seeks to pursue is the management of economic risks where it aims to increase coverage and benefits of unemployment insurance schemes.

This bill aims to strengthen existing unemployment insurance benefits in the country in order to provide sufficient social protection for unemployed workers, combined with active labor market policies, to assist workers.

It seeks to amend Section 14-B of Republic Act No. 11199, otherwise known as the "Social Security Act of 2018," in order to increase covered monthly cash payments of the Unemployment Insurance or Involuntary Separation Benefits from two (2) months to three (3) months; to allow unemployment benefits claim for more than once every three (3) years if the cause of unemployment is due to business contractions brought about by public health emergencies and policy-related disruptions; and to incorporate active labor market policies for the benefit of the members, such as training or re-tooling under programs offered by various government agencies, and provision of job search assistance, including the provision of local information on market opportunities, job matching, and identification of education and training opportunities.

Indeed, in the face of a rapidly changing economic landscape, ensuring the welfare of the Filipino workforce has become more critical than ever. Employment security is a fundamental aspect of social stability, and the challenges posed by unforeseen job losses, such as economic recessions or company closures, have highlighted the need for comprehensive safety nets to protect individuals during times of unemployment.

This measure recognizes that unemployment, particularly involuntary unemployment, can severely impact not only an individual's livelihood but also their overall well-being. Hence, this measure is a response to the challenges as a result of unemployment by ensuring that those who contribute to the country's economic growth are not left behind when they lose their source of income.

The expansion of coverage and benefits of unemployment insurance scheme under the current program by the SSS aligns with the objective of reducing vulnerabilities and protecting the purchasing power of the Filipinos as articulated under the PDP as well as the duty of the State to protect citizens from economic hardship and help them recover as they search for new employment opportunities.

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


IRIS MARIE D. MONTES
Kababaihan Kabalikatan para sa Kapakanan
at Kaunlaran ng Bayan (4K) Party-list

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

SECTION 1. *Title.* - This Act shall be known as the "Expanded Unemployment Insurance Act".

SEC. 2. *Enhanced Unemployment Insurance.* - Section 14-B of Republic Act No. 11199, otherwise known as the "Social Security Act of 2018", is hereby amended to read as follows:

Section 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%) 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[:], EXCEPT IF THE CAUSE OF UNEMPLOYMENT IS DUE TO BUSINESS CONTRACTIONS BROUGHT ABOUT BY PUBLIC HEALTH EMERGENCIES AND POLICY-RELATED DISRUPTIONS. 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.

DURING THE PERIOD OF UNEMPLOYMENT WHEREBY A MEMBER RECEIVES UNEMPLOYMENT INSURANCE AS PROVIDED UNDER THIS ACT, THE BENEFICIARY-MEMBER SHALL UNDERGO TRAINING OR RE-TOOLING UNDER PROGRAMS OFFERED BY VARIOUS GOVERNMENT AGENCIES AND/OR ACTIVELY SEEK EMPLOYMENT. FOR THIS PURPOSE, JOB SEARCH ASSISTANCE, INCLUDING THE PROVISION OF LOCAL INFORMATION ON MARKET OPPORTUNITIES, JOB MATCHING, AND IDENTIFICATION OF EDUCATION AND TRAINING OPPORTUNITIES SHALL BE PROVIDED BY THE PUBLIC EMPLOYMENT SERVICE OFFICES (PESO).

THE COMMISSION SHALL ESTABLISH A PROPER REFERRAL AND COORDINATION SYSTEM AND COORDINATE WITH OTHER RELEVANT GOVERNMENT AGENCIES TO PROPERLY IMPLEMENT THIS SECTION.

SEC. 3. *Implementing Rules and Regulations.* - The Social Security Commission, in coordination with relevant government agencies and upon proper consultation with other stakeholders, shall promulgate the necessary implementing rules and regulations within sixty (60) days from the effectivity of this Act.

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

SEC. 5. *Separability.* - If any provision of this law or the application thereof to any person or circumstance, is held invalid, the remainder of this law, or the application of such provision or part to other persons or circumstances, shall not be affected thereby.

SEC. 6. *Effectivity Clause.* - 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,