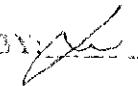


FIFTEENTH CONGRESS OF THE )  
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SENATE

P. S. Res. No. **521**

FILED BY: 

INTRODUCED BY SENATOR VILLAR

**RESOLUTION**

**URGING THE COMMITTEE ON LABOR, EMPLOYMENT AND HUMAN RESOURCES DEVELOPMENT TO ASSESS THE IMPACT OF THE NEW ‘NITAQAT’ SYSTEM ENFORCED BY THE SAUDI ARABIAN GOVERNMENT ON OVERSEAS FILIPINO WORKERS AND THEIR FAMILIES, WITH THE END IN VIEW OF ADOPTING A COMPREHENSIVE AND RESPONSIVE LEGISLATION AND PLAN OF ACTION THAT CAN SUPPORT AND ASSIST MIGRANT WORKERS WHO MAY BE DISPLACED**

*Whereas*, Saudization refers to the national policy of Saudi Arabia to encourage employment of Saudi nationals in the private sector, which, as of 2006, was largely dominated by expatriate workers from Southeast Asia and to a lesser extent with western expatriates;<sup>1</sup>

*Whereas*, to fully implement the Saudization program, the ‘Nitaqat’ system, which took effect in June 2011 was introduced to determine the percentage of Saudi workers in a private company;

*Whereas*, the ‘Nitaqat’ (or zones) classifies companies according to their rates of Saudization – now known as “nationalization” in the Labor Ministry’s new terminology as Blue (companies achieving more than 30 percent nationalization would be classified as “Excellent”), Green (minimum ten percent of the total numbers of staff hired are Saudis, Yellow (employed Saudi below 10 percent) and Red (no single local Saudi is employed);

*Whereas*, all Saudi firms are urged to comply with the Nitaqat system by September 10 as part of its efforts to prioritize hiring of Saudi nationals and to reduce unemployment which currently stands at 10.5 percent;

*Whereas*, although the Nitaqat system does not cover household service workers, the Ministry of Labor has ordered all retail shops to hire Saudi women instead of foreigners;

*Whereas*, Migrante Middle East said around 350,000 of the total 1.2 million OFWs in Saudi will be affected once the Nitaqat scheme is fully implemented;<sup>2</sup>

*Whereas*, Overseas Filipino Workers (OFWs) are the fourth largest segment of workers in Saudi, following Pakistanis, Indians and Egyptians, each numbering to 1.8 million, 1.5 million and 1.3 million respectively;


<sup>1</sup> <http://en.wikipedia.org/wiki/Saudization>

<sup>2</sup> Statement by Migrante Middle East regional coordinator John Monterona

*Whereas*, the compliance of Nitaqat by Saudi companies could affect about 90,000 OFWs working in small establishments:<sup>3</sup> Now therefore be it

RESOLVED, as it is hereby resolved, to urge the Committee on Labor, Employment and Human Resources Development to assess the impact of the new 'Nitaqat' system enforced by the Saudi Arabian government on Overseas Filipino Workers and their families, with the end in view of adopting a comprehensive and responsive legislation and plan of action that can support and assist migrant workers who may be displaced.

Adopted,

  
MANNY VILLAR  
Senator

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<sup>3</sup> Labor Secretary Rosalinda Dimapilis-Baldoz, in a statement