



**NINETEENTH CONGRESS OF THE
REPUBLIC OF THE PHILIPPINES**)
First Regular Session)

22 JUL -7 P3 :04

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SENATE

S.B. No. 133

Introduced by SENATOR JOEL VILLANUEVA

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

EXPLANATORY NOTE

Social protection refers to “policies and programs that seek to reduce poverty, inequality, and vulnerability to risks and enhance the social status and right of the marginalized by promoting and protecting livelihood and employment, protecting hazards and sudden loss of income, and improving people’s capacity to manage risks.”¹ It is an important component in ensuring the well-being, as well as the empowerment of, the citizens as the country aims to achieve continuous economic growth and development.

Recognizing the importance of social protection, the Updated Philippine Development Plan 2017-2022 devoted Chapter 11 to propose initiatives that will ensure the responsiveness of the country’s social protection system, including the proposal to “enhance people’s access to unemployment insurance and related services.”²

The Coronavirus-19 (COVID-19) pandemic recorded dismal unemployment rates, with April 2020 reaching 17.7%, or equivalent to 7.3 million unemployed individuals.³ Furthermore, all regions reported double-digit unemployment rates, with the Bangsamoro Autonomous Region in Muslim Mindanao at 29.8%, Region III (Central Luzon) at 27.3%, and Cordillera Administrative Region, at 25.3% recording the highest unemployment rates within the same period.⁴

¹ NEDA Social Development Committee (SDC) Resolution No. 1, series of 2007 – Adopting a Philippine Definition of Social Protection.

² Updated Philippine Development Plan 2017-2022, p. 215.

³ Philippine Statistics Authority, Employment Situation in April 2020, accessible at <https://psa.gov.ph/content/employment-situation-april-2020> (last accessed June 29, 2022).

⁴ *Id.*

Based on the Philippine Statistics Authority's latest Labor Force Survey for the period of April 2022, the country's unemployment rate is 5.7%, equivalent to 2.76 million.⁵ While significantly lower than the recorded rates at the onset of the pandemic, it is still higher than the latest unemployment rates in certain countries in Asia, such as Vietnam (2.8% as of March 2022), Malaysia (4.1% as of March 2022), but lower than Indonesia (5.8% as of February 2022) and India (7.8% as of April 2022).⁶

Given the foregoing, it is necessary to strengthen our existing unemployment insurance benefits in order to provide sufficient social protection for unemployed workers, combined with active labor market policies, to assist workers.

Under this bill, Section 14-B of Republic Act No. 11199, otherwise known as the "Social Security Act of 2018," is amended to introduce the following key improvements to the country's current Unemployment Insurance system:

1. Increases covered monthly cash payments of the Unemployment Insurance or Involuntary Separation Benefits from two (2) months to three (3) months;
2. Allows persons to claim unemployment benefits 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, such as the COVID-19 pandemic; and
3. Incorporates active labor market policies for the benefit of the beneficiaries-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.

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


SENATOR JOEL VILLANUEVA, JR.

⁵ Philippine Statistics Authority, April 2022 Labor Force Survey, accessible at <https://psa.gov.ph/content/employment-rate-april-2022-estimated-943-percent> (last accessed June 29, 2022).

⁶ National Economic and Development Authority, Report on Labor Force Survey (April 2022), accessible at <https://neda.gov.ph/wp-content/uploads/2022/06/Report-on-NIA-Q1-2022.pdf> (last accessed June 29, 2022).



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FOR THE PURPOSE SECTION 14-B OF REPUBLIC ACT NO. 11199,
OTHERWISE KNOWN AS THE SOCIAL SECURITY ACT OF 2018, AND
FOR OTHER PURPOSES

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

1 **SECTION 1. Title.** – This Act shall be known as the “Expanded Unemployment
2 Insurance Act of 2022”.

3
4 **SEC. 2. Expanded Unemployment Insurance.** – Section 14-B of Republic Act
5 No. 11199, otherwise known as the “Social Security Act of 2018” is hereby
6 amended to read as follows:

7
8 **Section 14-B. Unemployment Insurance or Involuntary**
9 **Separation Benefits.** –

10
11 A member who is not over sixty (60) years of age who has paid at
12 least thirty-six (36) months contributions twelve (12) months of
13 which should be in the eighteen-month period immediately
14 preceding the involuntary unemployment or separation shall be paid
15 benefits in the form of monthly cash payments equivalent to fifty
16 percent (50%) of the average monthly salary credit for a maximum
17 of THREE (3) months: *Provided*, That an employee who is
18 involuntarily unemployed can only claim unemployment benefits
19 once every three (3) years, EXCEPT IF THE CAUSE OF
20 UNEMPLOYMENT IS DUE TO BUSINESS CONTRACTIONS
21 BROUGHT ABOUT BY PUBLIC HEALTH EMERGENCIES AND
22 POLICY-RELATED DISRUPTIONS: *PROVIDED, FURTHER,*
23 THAT DURING THE PERIOD OF UNEMPLOYMENT WHEREBY

1 A MEMBER RECEIVES UNEMPLOYMENT INSURANCE AS
2 PROVIDED UNDER THIS ACT, THE BENEFICIARY-MEMBER
3 SHALL UNDERGO TRAINING OR RE-TOOLING UNDER
4 PROGRAMS OFFERED BY VARIOUS GOVERNMENT
5 AGENCIES AND/OR ACTIVELY SEEK EMPLOYMENT:
6 *PROVIDED, FURTHER,* THAT FOR THIS PURPOSE, JOB
7 SEARCH ASSISTANCE, INCLUDING THE PROVISION OF
8 LOCAL INFORMATION ON MARKET OPPORTUNITIES, JOB
9 MATCHING, AND IDENTIFICATION OF EDUCATION AND
10 TRAINING OPPORTUNITIES SHALL BE PROVIDED BY THE
11 PUBLIC EMPLOYMENT SERVICE OFFICES (PESO):
12 *PROVIDED, FURTHER,* THAT THE COMMISSION SHALL
13 ESTABLISH A PROPER REFERRAL AND COORDINATION
14 SYSTEM AND COORDINATE WITH OTHER RELEVANT
15 GOVERNMENT AGENCIES TO PROPERLY IMPLEMENT THIS
16 SECTION; *Provided, FINALLY further,* That in case of concurrence
17 of two or more compensable contingencies, only the highest benefit
18 shall be paid, subject to the rules and regulations that the
19 Commission may prescribe.

20
21 **SEC. 3. Implementing Rules and Regulations.** – The Social Security
22 Commission, in coordination with relevant government agencies and upon
23 proper consultation with other stakeholders, shall promulgate the necessary
24 implementing rules and regulations within sixty (60) days from the effectivity
25 of this Act.

26
27 **SEC. 4. Repealing Clause.** – All laws, decrees, rules, and regulations or parts
28 thereof, which are contrary to or inconsistent with this Act are hereby repealed
29 or modified accordingly.

30
31 **SEC. 5. Separability.** – If any provision of this law or the application thereof to
32 any person or circumstance, is held invalid, the remainder of this law, or the
33 application of such provision or part to other persons or circumstances, shall
34 not be affected thereby.

35
36 **SEC. 6. Effectivity Clause.** – This Act shall take effect fifteen (15) days after
37 its publication in the Official Gazette or in at least two (2) newspapers of general
38 circulation.

39
40 Approved,