

SIXTEENTH CONGRESS OF THE REPUBLIC)  
OF THE PHILIPPINES )  
First Regular Session )



Senate  
Office of the Secretary

13 AUG 28 P 2:32

SENATE

Senate Bill No. 1386

RECEIVED BY: *ji*

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INTRODUCED BY SEN. JINGGOY EJERCITO ESTRADA

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**EXPLANATORY NOTE**

In 1999, Congress passed into law Republic Act No. 8759, otherwise known as the Public Employment Service Office Act of 1999, in recognition of the need to institutionalize the establishment and operation of a Public Employment Service Office (PESO) in all capital towns of provinces, key cities, and other strategic areas.

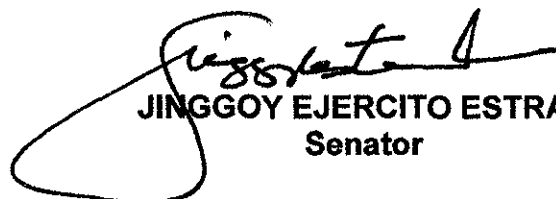
The following are among those contemplated in the law: (1) that the Department of Labor and Employment (DOLE) shall undertake the establishment, operation and maintenance of PESOs, upon the request of the LGU, NGO, CBO or SUC; (2) that the DOLE shall enter into a Memorandum of Agreement with the concerned LGU, NGO, CBO or SUC; and (3) that the budget needed for the full implementation of the law shall be provided in the General Appropriations Act (GAA) of DOLE.

Unfortunately, the full budgetary requirement to implement the law was never substantiated. The DOLE's annual budget for PESO was only for provision of technical assistance, training and supervision. There were no allocation for the establishment, operation and maintenance of the PESO office. Because of the tight fiscal situation, the PESO Act remains unfunded.

Considering that the PESO performs the very important task of facilitating the access of jobseekers to employment opportunities, it is imperative to establish a network of fully enabled Public Employment Service Offices. The restrictive provisions of the PESO Act of 1999 should therefore be rectified. Thus, these proposed amendments.

The bill aims to establish a labor market information infrastructure at the grass roots for a more efficient and effective provision of employment services. It also intends to facilitate the meeting of supply and demand for skills thereby reducing the transaction cost of information on available skills and jobs.

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

  
JINGGOY EJERCITO ESTRADA  
Senator

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**AN ACT**  
**DEFINING THE ROLE OF THE DEPARTMENT OF LABOR AND**  
**EMPLOYMENT (DOLE) AND THE LOCAL GOVERNMENT UNITS (LGUs) IN**  
**THE ESTABLISHMENT AND OPERATION OF THE PUBLIC EMPLOYMENT**  
**SERVICE OFFICE (PESO), AND THE OPERATION OF JOB PLACEMENT**  
**OFFICE IN SUCs AND NGOs, AMENDING FOR THE PURPOSE SECTIONS 3,**  
**6, 7, AND 9 OF REPUBLIC ACT NI. 8759, OTHERWISE KNOWN AS PUBLIC**  
**EMPLOYMENT SERVICE OFFICE ACT OF 1999**

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

1 **SECTION 1.** Section 3 of Republic Act No. 8759, otherwise known as the "Public  
2 Employment Service Office Act of 1999", is hereby amended to read as follows:

3  
4 "SECTION 3. Establishment of the Public Employment Service  
5 Office. – To carry out the above-declared policy, there shall be  
6 established in all [capital towns of] provinces, [key] cities, and [other  
7 strategic areas] MUNICIPALITIES a Public Employment Service  
8 Office, hereinafter referred to as "PESO", which shall be  
9 [community-based and] OPERATED AND maintained [largely] by  
10 local government units (LGUs). [and a number of non-governmental  
11 organizations (NGOs) and state universities and colleges (SUCs)].  
12 The PESO shall be linked to the regional offices of the Department  
13 of Labor and Employment (DOLE) for coordination and technical  
14 supervision, and to the DOLE central office, to constitute the  
15 national PUBLIC employment service network.

16  
17 "UPON THE REQUEST OF THE NGO OR SUC, THE DOLE MAY  
18 ENTER INTO A MEMORANDUM OF AGREEMENT FOR THE  
19 FORMER TO ESTABLISH, OPERATE AND MAINTAIN A JOB  
20 PLACEMENT OFFICE.

21  
22 "TO HARMONIZE THE PROVISION OF EMPLOYMENT  
23 SERVICES IN A GIVEN TERRITORIAL JURISDICTION, THE JOB  
24 PLACEMENT OFFICE AT THE NGO AND SUC SHALL  
25 COORDINATE THEIR ACTIVITIES WITH THE NEAREST PESO."  
26

27  
28 **SEC. 2.** Section 6 of the same law is hereby amended to read as follows:

1 "SECTION 6. Other Services of the PESO. – In addition to the  
2 functions enumerated in the preceding section, every PESO shall  
3 [also] undertake [the following] STRATEGIES, programs and  
4 activities [.] TO MAKE THE PROVISION OF EMPLOYMENT  
5 SERVICES EFFECTIVE AND EFFICIENT.  
6

7 "[a] x x x;  
8 (b) x x x;  
9 (c) x x x;  
10 (d) x x x;  
11 (e) x x x;  
12 (f) x x x;  
13 (g) x x x.]"  
14  
15

16 **SEC. 3.** Section 7 of the same law is hereby amended to read as follows:  
17

18 "SECTION 7. Role of DOLE [.] and LGUS [s, NGOs, CBOs, and  
19 SUCs]. – [Upon the request of the LGUs, NGOs, CBOs, SUCs  
20 which do not have existing PESOs shall be undertaken by the  
21 DOLE. The DOLE shall enter into memoranda of agreements with  
22 the concerned LGUs, NGOs, CBOs, SUCs for the establishment,  
23 operation and maintenance of PESOs in their respective areas of  
24 jurisdiction and the institutionalization of existing PESOs.] THE  
25 DOLE AND THE LGU SHALL JOINTLY ESTABLISH THE PESO.  
26

27 "It shall be the responsibility of the DOLE to:

28 (a) PROVIDE TECHNICAL SUPERVISION, COORDINATION  
29 AND CAPACITY BUILDING TO THE PESO;  
30

31 (b) Establish and maintain a computerized [national manpower]  
32 HUMAN RESOURCE AND JOB registr[y]IES [of skills and  
33 employment and business opportunities] to facilitate the  
34 provision and packaging of employment assistance to  
35 PESO clients and [the] TO set[ting-] up [of] intra- and inter-  
36 regional job clearance system as part of the overall  
37 employment service network;  
38

39 [(b) x x x;  
40

41 (c) x x x;]  
42

43 ([d] c) Provide technical assistance and allied support services to  
44 the PESO [.] INCLUDING, BUT NOT LIMITED TO,  
45 TRAINING OF PESO PERSONNEL IN THE VARIOUS  
46 ASPECTS OF EMPLOYMENT FACILITATION  
47 FUNCTIONS;  
48

49 ([e] d) [Train PESO personnel in the various aspects of  
50 employment facilitation functions] SET STANDARDS FOR  
51 THE ESTABLISHMENT AND OPERATION OF THE PESO  
52 OFFICE, AND QUALIFICATION STANDARDS FOR THE  
53 PESO PERSONNEL;  
54

55 ([f] e) Extend [/facilitate such] other packages of employment  
56 services [to the provisions of employment assistance] to  
57 [clients of] the LGU, NGO, or SUC concerned, including the

1                   conduct of job fairs, CAREER ADVISE, ETC. [and other  
2                   activities]; and,

3  
4                   ((g) f) [Undertake] [m]Monitor, assess and evaluate the  
5                   PERFORMANCE OF THE PESO NETWORK, INCLUDING  
6                   THE JOB PLACEMENT OFFICES AT THE SUC AND NGO  
7                   [the PESO program implementation].  
8

9                   "[For their part, the LGUs, NGOs, CBOs, or SUCs shall extend the  
10                  following assistance and services as may be necessary in the  
11                  promotion of employment within their respective areas of  
12                  jurisdiction.] FOR THEIR PART, PERSONS WHO ARE SEEKING  
13                  EMPLOYMENT, PARTICULARLY THE UNEMPLOYED, SHALL  
14                  REGISTER AT THE PESO FOR EMPLOYMENT FACILITATION  
15                  ASSISTANCE. THE ESTABLISHMENTS, ON THE OTHER HAND,  
16                  SHALL SUBMIT THEIR JOB VACANCIES AS WELL AS  
17                  APPLICANTS HIRED TO THE PESO TO ENSURE THE  
18                  AVAILABILITY OF ACCURATE INFORMATION ON SUPPLY AND  
19                  DEMAND FOR SKILLS IN THE LABOR MARKET.  
20

21                  "IT SHALL BE THE RESPONSIBILITY OF THE CONCERNED  
22                  LGU TO:

- 23  
24                  (A)    OPERATE AND MAINTAIN THE PESO;  
25  
26                  (B)    ENSURE COMPLIANCE WITH THE OPERATIONAL  
27                  STANDARDS SET BY THE DOLE;  
28  
29                  (C)    EXTEND SUCH ASSISTANCE AND SERVICES AS MAY  
30                  BE NECESSARY IN THE PROMOTION OF EMPLOYMENT  
31                  WITHIN THE AREA OF JURISDICTION; AND,  
32  
33                  (D)    SUBMIT TO THE DOLE PERIODIC PERFORMANCE /  
34                  ACCOMPLISHMENT REPORTS."  
35  
36

37                  **SEC. 4.** Section 9 of the same law shall be amended to read as follows:  
38

39                  "SECTION 9. Funding. – [The amount necessary for the initial  
40                  implementation of this Act shall be charged against the existing  
41                  appropriation of the DOLE and its operating agencies. Thereafter,  
42                  the amount needed for the full implementation of this Act shall be  
43                  included in the budget of the DOLE in the succeeding General  
44                  Appropriations Act.]  
45

46                  "THE ANNUAL BUDGETARY REQUIREMENTS OF ITS PESO  
47                  SHALL BE INCLUDED IN THE ANNUAL BUDGETARY  
48                  APPROPRIATION OF THE LGU. THE SUC AND NGO SHALL  
49                  PROVIDE THE RESOURCES FOR THE OPERATION OF THEIR  
50                  JOB PLACEMENT OFFICES.  
51

52                  "FUNDS FOR THE PROVISION OF TECHNICAL ASSISTANCE,  
53                  TRAINING AND SUPERVISION OF THE PESO SHALL BE  
54                  INCLUDED IN THE BUDGET OF THE DOLE IN THE GENERAL  
55                  APPROPRIATIONS ACT."  
56  
57

1 **SEC. 5. *Implementing Rules and Regulations.*** – The Secretary of Labor and  
2 Employment shall issue the necessary rules and regulations for the effective  
3 implementation of this Act within ninety (90) days after its effectivity.  
4

5  
6 **SEC. 6. *Repealing Clause.*** – All laws, decrees, executive orders, proclamations,  
7 rules and regulations or any part thereof, which are inconsistent with the  
8 provisions of this Act, are hereby deemed repealed or modified accordingly.  
9

10  
11 **SEC. 7. *Separability Clause.*** – If for any reason, any section or provision of this  
12 Act or any part thereof, or the application of such section, provision or portion is  
13 declared invalid or unconstitutional, the remainder thereof shall not be affected  
14 by such declaration.  
15

16  
17 **SEC. 8. *Effectivity.*** – This Act shall take effect after fifteen (15) days from the  
18 date of its publication in the Official Gazette or in at least two (2) newspapers of  
19 general circulation.  
20

21  
22  
23  
24  
25 *Approved,*