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FOURTEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES First Regular Session

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Senate Bill No. 366

INTRODUCED BY SEN. JINGGOY EJERCITO ESTRADA

EXPLANATORY NOTE

Despite the provision of Section 3 of Article 13 of the Constitution which provides that, "The State shall afford full protection to labor, local and overseas, organized and unorganized, and promote full employment and equality of employment opportunities for all", still, the Philippines suffers from unemployment.

The unemployment issue does not only affect Filipino workers in the Philippines but also those qualified Overseas Filipino Workers from unscrupulous recruiters. A sizeable number of workers fail in their respective endeavor because the government lacks the responsibility of preparing comprehensive contingency measures to ensure the workers' protection and to extend critical assistance adversely affected by the economic crisis.

This bill seeks to create a National Employment Assistance Center of the Philippines in order to assist and help the country fight the soaring unemployment problem that threatens not only the economy but also the political stability of the Philippines.

Hence, the enactment of this bill is recommended.

JINGGOY Senator

FOURTEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES First Regular Session

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Senate Bill No.<u>366</u>

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AN ACT

ESTABLISHING THE NATIONAL EMPLOYMENT ASSISTANCE CENTER OF THE PHILIPPINES AND APPROPRIATING FUNDS THEREFOR

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

SECTION 1. Title. – This Act shall be known as the "National Employment Assistance Center of the Philippines Act of 2007".

SEC 2. Declaration of Policy. – It is the policy of the State to afford full protection to labor and promote full employment and equality of employment opportunities for all. It is therefore the responsibility of the government to address the various legitimate concerns of the Filipino workers by preparing comprehensive contingency measures to ensure the workers' protection and to extend critical assistance to those adversely affected by the economic crisis.

SEC 3. Creation. – There is hereby created the National Employment Assistance Center (NEAC) of the Philippines, hereinafter referred to as the Center, which shall be under the supervision and control of the Department of Labor and Employment.

SEC 4. *Purpose.* – The Center shall provide both employees and employers with the basic information on local manpower demand, competency, assessment and orientation, manpower pooling, and referral for retraining. The Center shall likewise provide a one-stop action center which shall facilitate the processing and documentation of all long-term employment. It shall encourage consolidation of the effort of various public and private entities involved in the labor sector of similar and other related programs.

SEC 5. Functions. - The Center shall perform the following functions:

- a) to provide information to prospective employers, public or private, local and foreign, on the different kind of skills / expertise available for utilization;
- b) to establish an updated data bank of all industries and businesses requiring manpower;

- c) to establish an updated data bank of all skilled but unemployed Filipino workers, which includes basic information such as name, address, date of birth, telephone number, educational and professional background as special skills;
- to organize and maintain centralized one-stop shop services or assistance center that shall expedite the processing of all requirements necessary in employment;
- e) to formulate and coordinate the conduct of relevant research projects to help attain the Center's goals;
- f) to formulate and develop employment programs designed to benefit the more disadvantaged groups;
- g) to develop a responsive vocational guidance and testing system in aid of proper human resources allocation;
- to receive donations, contribution, gifts, grants from any source, public or private, whether from domestic or international sources, proceeds of which shall not be used for any other purpose;
- i) to enter into all kinds of arrangements or joint ventures with other government and/or private entities that will help promote its aims and purposes; and
- j) to exercise such other functions as may be assigned by the Secretary of Labor and Employment.

SEC 6. *Structural Organization.* – The Center shall have a Board of Governors under which shall be the offices of Director-General and the Deputy Director-General. Under the Office of the Director-General shall be two (2) departments which shall be headed by their respective directors, namely:

1.) Domestic Employment, to handle all local employment matters; and

2.) Overseas Employment, to handle all overseas employment matters.

Under each department shall be three (3) divisions which shall be headed by their division chiefs, namely on:

- 1.) Technical Research Division, to handle the registration for workers and industries / businesses;
- 2.) Testing and Skills Upgrading Division, to handle all matters pertaining to the development of a responsive guidance, testing and training system; and
- 3.) Referral and Placement Division, to handle all matters pertaining to the working permits, referral to and placement in industries / businesses of the employees.

A central documentation and information service headed by a Director, to handle all documentation, information and related matters, including public relations, shall be constituted to private staff support to the Director-General.

SEC 7. Board of Governors; Composition, Term and Compensation. – The Center shall be governed and its activities and properties shall be managed by a Board of Governors which shall be under the supervision and control of the Office of the President, to be chaired by the Secretary of Labor and Employment, and shall be composed of ten (10) members five (5) of whom shall come from the government sector and five (5) of whom shall come from the private sector, all of whom shall be appointed by the President; *Provided*, That a representative from the private sector shall be appointed as Vice-Chairman; *Provided further*, That all board members shall have broad experience in human resources, labor and industrial relations. The term of office of Board members from the government sector shall be for the duration of their public office or three (3) years, whichever comes earlier, while the term of office of the private sector Board members shall be three (3) years each until their successors shall have been appointed and qualified; *Provided*, That they shall be eligible for reappointment after the expiration of their respective terms; *Provided further*, That any private sector Board member appointed by the President to fill a vacancy in the Board of Governors occurring prior to the expiration of the term for which his predecessor was appointed shall serve only for the unexpired portion of his predecessor.

The Board members shall meet regularly at least once a month or as often as the exigencies of the service demand. The presence of at least six (6) members shall constitute a quorum, and the vote of a majority of the members present shall be necessary for the adoption of any resolution, rule or decision.

The Board members shall receive for every meeting attended a *per diem* to be fixed by the President of the Philippines.

SEC 8. *Board of Governors.* – The Board of Governors shall have the following powers and functions:

- a) to formulate policies, guidelines and programs to effectively implement the purposes of the Center;
- b) to approve the annual and supplemental budgets for the Center;
- c) to promulgate rules as may be necessary for the effective exercise of the powers and functions of the Center;
- d) to authorize any contract or agreement as may be necessary for the proper, efficient and stable administration of the Center;
- e) to determine and approve the appointment of other officers of the Center, with their corresponding qualifications, duties and emoluments; and
- f) to prepare and submit periodic and/or special reports for the President.

SEC 9. Office of the Director-General. – The chief operation officer and principal representative of the Center shall be the Director-General assisted by a Deputy Director-General, working full time, both to be appointed by the President.

SEC 10. Removal or Suspension for Cause. – An officer of the Center may be suspended or removed by the President for mismanagement, grave abuse of discretion, infidelity in the conduct of fiduciary relations, gross negligence in the performance of duties, dishonesty, corruption, or any act involving moral turpitude.

SEC 11. Appointments, Promotion, Terms and Conditions of *Employment.* – The officers and employees of the Center shall be covered by the Civil Service Law, as well as the Rules of the Office of Compensation and Position Classification.

SEC 12. Location. – The Center's head office shall be located in a convenient and accessible site in the National Capital Region; *Provided*, That the regional offices of the Center may be integrated with the regional offices of the Department of Labor and Employment whenever feasible and shall obtain all its service functions under one roof, including the head office.

SEC 13. Coordination with Private Agencies. – Private agencies concerned shall coordinate with the Center and shall, when requested by the Center, provide information and such other assistance for referral and placement purposes. For this purpose, all private agencies concerned shall henceforth detail their appropriate representatives to the Center; *Provided*, That such private agencies shall provide for such detailed personnel's salaries and/or other emoluments.

Moreover, the Department of Foreign Affairs, through its commercial attachés worldwide, shall extend assistance to the Center by disseminating data properly released by the Center to the different countries concerned. The commercial attachés shall also furnish the Center with current and relevant data from other countries for circulation in the Philippines.

SEC 14. Appropriation. – An amount not exceeding Fifteen Million Pesos (P15,000,000.00) shall be charged to the current appropriations of the Department of Labor and Employment for the initial implementation of this Act. Thereafter, the amount as may be necessary for the continued operation of the Center shall be included in the Annual General Appropriations Act.

SEC 15. *Rules and Regulations.* – The Department of Labor and Employment shall promulgate all rules and regulations as may be necessary for the proper and effective implementation of this Act.

SEC 16. Repealing Clause. – All laws, orders, decrees, rules and regulations, and other issuances or parts thereof, inconsistent with this Act, are hereby repealed or modified accordingly.

SEC 17. *Effectivity Clause.* – This Act shall take effect fifteen (15) days after its complete publication in two (2) newspapers of general circulation in the Philippines.

Approved,