

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City



SIXTEENTH CONGRESS
Second Regular Session

HOUSE BILL NO. 4817

Introduced by: Hon. Angelina "Helen" D.L. Tan, M.D.

EXPLANATORY NOTE

One of the potential contributors to the attainment of our country's developed and industrialized status is labor. However, unemployment has steadily risen and the number of jobless Filipinos is continuously sweeping society, thus causing widespread poverty and hardship, especially among the marginalized sectors.

Among the targets of the Millennium Development Goals is to eradicate extreme poverty and hunger and it aims to achieve full and productive employment and decent work for all, including women and young people.

As per the current labor statistics of the Philippine Statistics Authority (Labstat Updates, Vol. 18 No. 7, March 2014), the January 2014 unemployment rate at 7.5% was up marginally by 0.4 percentage point from last year. This figure is not statistically different from the rate recorded in January 2013 at 7.1%. In absolute terms, the total number of unemployed persons stood at 2.969 million – upped by 193,000 from last year. The magnitude of unemployed persons has remained stagnant at less than three million since 2006.

This bill aims to institutionalize skills training and retraining in order to provide employment to marginalized workers. It seeks to provide adequate and relevant skills training and retraining programs to address the requirements of the industry; and update the standard skills and introduce new crafts to prepare workers for their employment and re-employment.

The proposal provides for the reskilling of displaced workers, particularly those who were dismissed due to financial failures or poor performance of their company which is important as cases of displaced workers are expected to rise with the full implementation of the Department of Education's K-12 program in 2016. It also caters for the training needs of the out-of-school youth and women, and skills training for rural non-farm and agricultural productivity, including for training programs for those who might be employed in export-oriented small and medium scale enterprises.

The bill aims to formulate and implement strategies for skills training that will prepare workers for new skills adaptations, ensure their employment, and become globally competitive.

Hence, approval of this measure is earnestly requested.


ANGELINA "HELEN" D.L. TAN, M.D.
4th District, Quezon

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AN ACT
INSTITUTIONALIZING SKILLS TRAINING AND RETRAINING

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

SECTION. 1. *Short Title.* - This Act shall be known as the "Skills Training and Retraining Act."

SEC. 2. *Declaration of Policy.* - It is the declared policy of the State to affirm labor as a primary social economic force. It is also the policy of the State to provide adult citizens, the disabled, and out-of-school youth with training in civics, vocational efficiency, and other skills.

Toward this end, it is the policy of this Act to formulate mechanisms designed to:

- (a) Provide adequate and relevant skills training and retraining programs to address the requirements of the industry; and
- (b) Update the standard skills and introduce new crafts to prepare workers for their employment and re-employment.

SEC. 3. *Skills Bulletin.* - The Technical Education and Skills Development Authority (TESDA) in coordination with the Department of Trade and Industry shall maintain an updated list of needed skills categorized according to industry.

The list shall be made publicly available every month at the Technical Education and Skills Development Authority, Department of Trade and Industry, and Department of Labor and Employment and their respective regional offices to ensure the labor group of information.

SEC 4. *Reskilling of Displaced Workers.* - Skills upgrading opportunities shall be immediately extended by the TESDA to workers who were dismissed due to an inevitable shutdown of their company or business establishment.

The TESDA shall orient the dismissed workers with the skills listed in the Skills Bulletin stated in Section 3.

Dismissed workers shall be required to present a notice of termination or any document that indicated their dismissal due to the shutdown, bankruptcy or other reasons which caused their company to cease business operations. The TESDA Secretariat, however, shall verify the name of the company or business establishment to circumvent false claim from the worker.

SEC. 5. *Appropriations for Retraining of Displaced Workers.* - The amount of One Hundred

Million Pesos (P100,000,000.00) used for the funding of the Reskilling of Displaced Workers for a span of three (3) years shall be appropriated beginning the year following the approval of this Act.

SEC. 6. Pre-employment Training for the Youth. - The TESDA shall formulate training programs that will equip out-of-school youths (OSYS) the necessary skills to prepare them for employment. Training fees shall cover only for the materials and equipment that will be utilized.

The TESDA personnel involved in charging excessive fees to OSY trainees shall be subjected to disciplinary action. OSY trainees shall be encouraged to file their complaints to the TESDA.

A company or business establishment, which hired an OSY graduate shall duly recognize the certificate awarded to the OSY graduate and shall observe the employment conditions agreed. The hired QSY shall likewise report any violation committed by the business establishment or company to the DOLE

SEC. 7. Training of Women in Non-Traditional Trades. -The TESDA shall provide a discount of at least ten percent (10%) on training fees as incentive to women who are willing to undergo training in non-traditional trades or women-applicants shall pay the said training fees upon employment.

The Department of Labor and Employment through its job placement centers or public employment and service offices shall give priority in providing assistance to women who are graduates of non-traditional trades to find jobs.

SEC. 8. Skills Training for Rural Non-Farm and Agricultural Productivity. - In a joint effort, the Department of Science and Technology (DOST) and the Department of Agriculture (DA) shall provide the latest and new technologies involved in agro- processing activities and farm-related activities.

The TESDA in coordination with the DOST and the DA shall conduct the training in every region.

SEC.9. Appropriation for Skills Training for Rural Non-Farm and Agricultural Productivity. - The amount of Two Hundred Million Pesos (P200,000,000.00) used for the funding of Skills Training for Rural Non-Farm and Agricultural Productivity for a span of four years shall be appropriated.

SEC. 10. Skills Training for Export Oriented Small and Medium Scale Enterprise (SMEs). - The DOLE, through its livelihood programs, shall give priority on training for workers that will be employed in export-oriented SMEs.

The DOLE in coordination with the DTI shall provide pointers on the latest export champions to prepare prospective entrepreneurs on the kind of product to venture in.

SEC. 11. Appropriation for Skills Training for export Oriented Small and Medium Enterprise. - The amount of Sixty Five Million Pesos (P65,000,000.00) used for the funding of Skills Training for Export Oriented Small and Medium Scale Enterprise for a span of three (3) years shall be appropriated for the following year upon approval of this Act.

SEC. 12. Penalties. - In the event that the aforementioned appropriations were not utilized in the manner stated in the given provisions, the guilty party shall be punished by a fine not exceeding Ten Thousand pesos (P10,000.00) or by imprisonment of not more than four (4)years or both such fine and imprisonment.

SEC. 13. *Separability Clause.* - The provisions of this Act are hereby declared separable and in the event any of such provisions is declared unconstitutional, the other provisions, which are not affected thereby shall remain in force and effect.

SEC. 14. *Repealing Clause.* - All other laws, decrees, executive orders, administrative orders, rules and regulations or parts thereof which are inconsistent with the provisions of this Act are hereby repealed, amended or modified accordingly.

SEC. 15. *Effectivity.* - This Act shall take effect upon its publication in at least two (2) newspapers of general circulation.

Approved,