

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SEVENTEENTH CONGRESS
Second Regular Session

HOUSE BILL NO. 6287



Introduced by **HON. LUIS RAYMUND "LRAY" F. VILLAFUERTE, JR.**

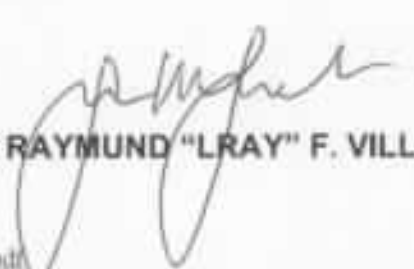
EXPLANATORY NOTE

Work is becoming more skilled across industries and individual occupations¹. In order to encourage growth in the knowledge economy and lower the skill gap, a wider access to information and education is needed. In a study by the World Bank on the Philippine labor market², it was observed that poverty in the working households is pervasive in the country and is partly caused by low labor productivity, which reflects low level of education and skills of the workforce. This is in part because of the lack of incentives for skills training in the country, resulting to a reluctance to invest in skills.

An effective labor force competitiveness policy would help the growth of the working-class sector and develop the right skills for a well-trained and knowledgeable citizenry. This bill proposes the creation of a Tulong-Trabaho Fund and provide scholarships for recipients qualified for the selected training programs by the Technical Education and Skills Development Authority (TESDA). This aims to lower the current skill gap and provide a wider access to training and education.

The TESDA is also mandated to manage the said fund, as well as to evaluate schools and training centers that receive funding. The institutionalization of this program is seen as a long-term solution to improving the nation's labor force competitiveness. By mandating the TESDA to ensure that the development of this program is in keeping with the changing of times, we are assured of the quality that this program entails.

The approval of this bill is earnestly sought.


LUIS RAYMUND "LRAY" F. VILLAFUERTE, JR.

¹ <http://www.oecd.org/innovation/research/1842070.pdf>

² <http://documents.worldbank.org/curated/en/561291468294345143/pdf/Phil-Labor-Market-Review-FINAL-Jan22-16.pdf>

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Introduced by **HON. LUIS RAYMUND "LRAY" F. VILLAFUERTE, JR.**

**AN ACT INSTITUTING A PHILIPPINE LABOR FORCE COMPETENCIES
COMPETITIVENESS PROGRAM, ESTABLISHING FREE ACCESS TO
TECHNICAL AND VOCATIONAL TRAINING PROGRAMS AND FOR OTHER
PURPOSES**

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

ARTICLE I
GENERAL PROVISIONS

SECTION 1. *Short Title.* – This Act shall be known as the "Tulong-Trabaho Act of 2017."

SECTION 2. *Declaration of Policy.* – The Philippine Constitution provides that the State shall promote a just and dynamic social order that will ensure the prosperity and independence of the nation, and free the people from poverty through policies that provide adequate social services, promote full employment, a rising standard of living, and an improved quality of life for all. For this purpose, the Constitution encourages non-formal, informal, and indigenous learning systems, as well as self-learning, independent, and out-of-school study programs, particularly those that respond to community needs.

SECTION 3. *Objectives.* – The objectives of this Act shall be:

- (a) To strengthen the qualifications of the Filipino workforce to meet the challenges of the rapidly evolving workplaces and work structures;
- (b) To provide for more innovative approaches to education and training linked to the requirements of industry;
- (c) To facilitate access to quality technical education and training; and

- (d) To encourage the participation of industry and communities in competencies formation and upgrading towards a more competitive Filipino workforce.

SECTION 4. Definition of Terms. – The following terms shall be used in this Act:

- (a) **Competency** refers to the standard knowledge, skills, attitude, and values required to complete a work activity in a particular job, trade, or occupation.
- (b) **Competency-based learning system** refers to a system by which the learner is trained on the basis of demonstrated ability.
- (c) **Direct training expenses** refers to item it costs that are specifically traced to, or caused by the training, and includes consumables used in the course of the program, training supplies, materials, utilities, venue and equipment, trainers' fees and other related expenditures.
- (d) **Formal education** refers to the systematic and deliberate process of hierarchically structured and sequential learning corresponding to the general concept of elementary and secondary level of schooling. At the end of each level, the learner needs a certification in order to enter or advance to the next level.
- (e) **Informal Education** refers to a lifelong process of learning by which every person acquires and accumulates knowledge, skills, attitudes and insights from daily experiences at home, at work, at play and from life itself.
- (f) **Philippine TVET Competency Assessment and Certification System** refers to a quality-assured system in recognition of the attainment of competencies (knowledge, skills, attitudes and values) as referred to the competency standards set for middle-level occupation. It is the process of determining the qualification level of a person and a tool in identifying the training needs of a person with competency gaps.
- (g) **Program** refers to the Philippine Labor Force Competencies Competitiveness Program established in accordance with this Act.
- (h) **TESDA** refers to the Technical Education and Skills Development Authority.
- (i) **Technical Vocational Education and Training (TVET)** – refers to the education or training process involving general education, the study of technologies and related sciences, acquisition of practical skills relating to occupations in various sectors of economic and social life, and comprises formal (organized programs as part of the school system) and non-formal (organized classes outside the school system) approaches.

SECTION 5. Philippine Labor Force Competencies Competitiveness Program. – There shall be established a Philippine Labor Force Competencies Competitiveness Program in accordance with Section 17 of this Act, and which

shall be funded through the Tulong-Trabaho Fund created in accordance with Section 6 of this Act.

ARTICLE II THE TULONG-TRABAHO FUND

SECTION 6. *Tulong-Trabaho Fund.* – There shall be established a Tulong-Trabaho Fund that shall provide qualified recipients with access to TVET training programs through the full payment of the selected programs' training fees, as well as the possibility of providing additional financial assistance such as transportation allowance and laboratory fees, as needed.

SECTION 7. *Funding.* – The funds necessary for the implementation of this Act shall be included in the General Appropriations Act. The appropriated amount shall be sufficient for free technical education and training and shall be used to fund the training of qualified applicants for qualifications in key employment generating sectors.

SECTION 8. *Scope of Financial Assistance.* – The Tulong-Trabaho Fund shall be used to pay the fees of qualified recipients in Selected Training Programs (STPs) selected in accordance with Section 10 of this Act.

SECTION 9. *Qualified Recipients.* – Access to the Tulong-Trabaho Fund shall be made available to (i) any person at least fifteen (15) years of age who are not employed, not in education, and not in training ("NEET"), and (ii) employed workers, who intend to develop and expand their current skills and training.

SECTION 10. *Management of the Tulong-Trabaho Fund.* – TESDA shall be primarily responsible for managing the Tulong-Trabaho Fund. For this purpose, the TESDA Board shall promulgate the policies and guidelines to implement the Program.

The TESDA Board shall also have the power to receive donations from both government and non-government organizations to be used strictly and exclusively for the beneficiaries and qualified applicants of the Tulong-Trabaho Fund.

SECTION 11. *Determination of Selected Training Programs.* – The TESDA Board shall approve the final list of Selected Training Programs (STPs) eligible to receive funding from the Tulong-Trabaho Fund based on the initial recommendation of the TESDA Secretariat. STPs may be school-based, center-based, community-based or enterprise-based programs and shall be determined based on the following considerations:

- (a) The latest issuances of Labor Market Intelligent Reports;
- (b) Quantitative and qualitative data on employment opportunities to be provided by the Department of Labor and Employment;

- (c) Quantitative and qualitative data on jobs and skills matching, as determined by TESDA;
- (d) The Human Resource Development Roadmaps; and
- (e) Other quantitative and qualitative studies to be determined necessary by the TESDA Board in its selection of STPs.

Provided, that the TESDA Board may, in its discretion, adopt additional bases to achieve the objectives of this Act.

The TESDA Board shall release the initial list of available STPs within two (2) months from the effectivity of this Act, and shall update such list in accordance with the provisions of this Act.

SECTION 12. *Determination of Qualified Recipients.* – The heads of entities seeking funding for STPs shall submit a list of trainees who have requested assistance from the Tulong-Trabaho Fund to the TESDA Regional Directors. The TESDA Regional Directors shall assess the recipients and submit a list of qualified recipients to the TESDA Director General for his/her approval.

The list of qualified recipients shall be periodically updated depending on the availability of the Tulong-Trabaho Fund and the number of STPs.

SECTION 13. *Evaluation of Assistance Given to Schools and Training Centers.* – The TESDA Board shall periodically evaluate schools and training centers that receive funding from the Tulong-Trabaho Fund. These recipient-institutions shall ensure that at least 70% of the beneficiaries of the Tulong-Trabaho Fund are able to pass the Philippine TVET Competency Assessment and Certification System. Failure to meet the passing rate shall subject the school or training center to performance review and audit by the TESDA Board.

The TESDA Board shall have the discretion to provide other criteria and standards to determine whether the school or center shall continue to receive financial assistance through the Tulong-Trabaho Fund.

SECTION 14. *Public Online Registry.* – TESDA shall create a registry of schools and training centers that offers STPs, a database of qualified recipients of financial assistance and a list of graduates of these programs. These lists shall be accessible through the website of the TESDA.

SECTION 15. *Evaluation.* – The TESDA Board shall release an annual report to be made available to the public on the management of the Tulong-Trabaho Fund, including the appropriations from the General Appropriations Act, donations from private and other organizations, expenditures, performance of the qualified recipients and other pertinent information as may be necessary in accordance with the principle of fair and full disclosure.

ARTICLE III DEVELOPMENT MODALITIES AND SUPPORT SYSTEMS

SECTION 16. *Primary Duty of TESDA.* – TESDA shall design and implement the support systems necessary to achieve the objectives of this Act, particularly the development of additional TVET programs and the improvement of existing TVET programs.

SECTION 17. *Support Systems for the Development of the Program.* – Consistent with the recognition that a TVET program must be based on developing competencies and focused on learning outcomes to be relevant to changing demands, TESDA shall ensure that qualified recipients of the Tulong-Trabaho Fund are appropriately trained and their competencies are regularly updated.

For this purpose, appropriate standards, proper planning, trainors' training and certification, competency assessment and certification and quality assurance system shall be put in place to ensure the entrants' to the Program shall be sufficiently equipped. In addition, the development of modalities and programs for employed workers and accumulation of new learning modules shall be undertaken to upgrade competencies of employed workers. The participation of industries and engagement of local governments shall also be sought.

ARTICLE IV MISCELLANEOUS PROVISIONS

SECTION 18. *Oversight Committee.* – A joint oversight committee, composed of the chairpersons of the Committee of Labor of the Senate and the House of Representatives, shall be convened in order to review, the performance of the Tulong-Trabaho Fund.

SECTION 19. *Implementing Rules and Regulations.* – The TESDA shall, in consultation with relevant stakeholders, issue the implementing rules and regulations of this Act within a period of ninety (90) days after the effectivity of this Act.

SECTION 20. *Separability Clause.* – If any provision or part hereof, is held invalid or unconstitutional, the remainder of the law or the provision not otherwise affected shall remain valid and subsisting.

SECTION 21. *Repealing Clause.* – Any law, presidential decree or issuance, executive order, letter of instruction, administrative order, rule, or regulation contrary to or inconsistent with, the provisions of this Act is hereby repealed, modified, or amended accordingly.

SECTION 22. *Effectivity Clause.* – This Act shall take effect fifteen (15) days after its publication in at least two (2) newspapers of general circulation.

Approved,