

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Batasan Hills, Quezon City

NINETEENTH CONGRESS
First Regular Session

HOUSE BILL No. 1783



Introduced by
ACT Teachers Party-List Rep. FRANCE L. CASTRO,
GABRIELA Women's Party Rep. ARLENE D. BROSAS,
and **KABATAAN Party-List Rep. RAOUL DANNIEL A. MANUEL**

AN ACT
SETTING ASIDE AT LEAST SIX PERCENT OF THE GROSS DOMESTIC
PRODUCT FOR THE DEPARTMENT OF EDUCATION, STATE
UNIVERSITIES AND COLLEGES, TECHNICAL EDUCATION AND SKILLS
DEVELOPMENT AUTHORITY, AND OTHER AGENCIES AND
INSTRUMENTALITIES WITH MANDATES DIRECTLY RELATED TO
EDUCATION, THEREBY MANDATING THE HIGHEST BUDGETARY
PRIORITY TO EDUCATION

EXPLANATORY NOTE

Despite rhetoric on the Philippine government's prioritization of education in the national budget, for the past decades, our public expenditure on education as percentage of the gross domestic product (GDP) remains below the higher limits of United Nations Educational, Scientific and Cultural Organization (UNESCO) standards of at least 6% of the GDP.¹ According to World Bank statistics, the Philippines' public expenditure for education never breached 4.4% from 1980 to 2020,² and generally below the global average on most years from 1999 to 2019.³ Hence, it is also among the worst countries in the Asia-Pacific region in terms of public expenditure for education.⁴

1 Reiterated in [UNESCO's Global Education Monitoring Report \(2016\)](#). This is also the typical benchmark for developing countries as early as the 1980s ([Tilak, 2006](#)).

2 <https://data.worldbank.org/indicator/SE.XPD.TOTL.GD.ZS?contextual=default&locations=PH>

3 <https://data.worldbank.org/indicator/SE.XPD.TOTL.GD.ZS?contextual=default&locations=1W-PH>

4 <https://data.worldbank.org/indicator/SE.XPD.TOTL.GD.ZS?contextual=region&locations=PH>

It is in this context that the Programme for International Student Assessment (PISA) 2018 Country Note for the Philippines reveals that the country's dismal PISA results are partly because "(e)xpenditure per student in the Philippines was the lowest amongst all PISA-participating countries/economies—and 90% lower than the OECD average."⁵ Hence, PISA's analysis emphasizes that **a populous country like the Philippines will have to hike its public expenditures for education to have a fighting chance of improving its over-all quality of education.** The additional gaps in resources, facilities, and personnel laid bare by the pandemic,⁶ further highlight the need to drastically increase the Philippines' education budget.

The bigger education expenditures of Finland—which are way above and consistently higher than the Philippines' spending for education from 1970 to 2020⁷—are also instructive. Finland is typically identified as the country with the best education system, ranking 1st in health & primary education, and 2nd in higher education & training in the World Economic Forum's (WEF) Global Competitiveness Index 2017-2018; 2nd in skills (which covers education) in the Global Competitiveness Report 2019; and 1st in having the ability to "update education curricula and expand investment in the skills needed for jobs and 'markets of tomorrow'" in the WEF Global Competitiveness Report 2020.⁸ It is clear from Finland's experience that the basic element for quality education is higher public expenditures for education.

Meanwhile, in the Philippines, the Marcosian relic on automatic debt appropriations (Presidential Decree No. 1177, signed in 1977) remains intact. Despite the historical fact that the said dictator plunged the country into a debt quagmire, Section 31 of PD 1177 or the mandate of automatic appropriations for "principal and interest on public debt [and] national government guarantees of obligations which are drawn upon" is replicated *in toto* into the Administrative Code, in particular, Section 26 of Chapter 4, Book VI on Budget Authorization. The no-questions-asked priority for debt was thus implemented throughout the post-EDSA 1 administrations, thereby limiting the budget available for education as well as other social services.

Under this Marcosian relic, the government automatically allots huge sums of money for debt payments. In 1991, esteemed statesmen Teofisto T. Guingona, Jr. and Aquilino Pimentel, Jr. questioned the higher appropriation for debt service in 1990 as opposed to that for the Department of Education, Culture, and Sports is "inconsistent with the Constitution, hence, void."⁹ In 1994, this was again raised with respect to the 1994 national budget, with petitioners then arguing that automatic appropriations for

5 https://www.oecd.org/pisa/publications/PISA2018_CN_PHL.pdf

6 [Dayagbil et al., 2021](#) and [San Juan, 2021](#)

7 <https://data.worldbank.org/indicator/SE.XPD.TOTL.GD.ZS?locations=PH-FI>

8 https://www3.weforum.org/docs/GCR2017-2018/03CountryProfiles/Standalone2-pagerprofiles/WEF_GCI_2017_2018_Profile_Finland.pdf,

https://www3.weforum.org/docs/WEF_TheGlobalCompetitivenessReport2019.pdf, and https://www3.weforum.org/docs/WEF_TheGlobalCompetitivenessReport2020.pdf

9 *Teofisto Guingona, Jr. and Aquilino Pimentel, Jr. v. Guillermo Carague, et al.* (G.R. 94571, consolidated with three other petitions, April 22, 1991)

debt servicing results in a “highest priority for debt service” rather than for education. The Supreme Court, however, ruled in favor of “our enormous debt” and “credit standing, classifying the constitutional provision as “merely directory.”¹⁰

This bill intends to take a stand that will favor our children and youth, our teachers and education personnel. With a specific legislation to implement Section 5(5) of Article XIV of the Constitution, it is hoped that these words will not remain empty exhortations but will ensure that taxpayers’ money is translated into actual appropriations with real-life benefits for our people. Rather than consider it as mere spending, we must view it as high-yield investments on the country’s future—our people’s children, the next generation of Filipinos.

Perpetually according the highest budgetary priority to debt servicing is the reason our teachers and education workers are overworked yet underpaid and are themselves in debt, why studying in public schools have never been free in reality, and why the quality of education is declining. Reversing this trend may have been due decades ago, but it is never too late to start now.

Immediate passage of this bill is sought.



Rep. FRANCE L. CASTRO
ACT Teachers Party-List



Rep. ARLENE D. BROSAS
GABRIELA Women’s Party



Rep. RAOUL DANNIEL A. MANUEL
KABATAAN Party-List

¹⁰ *Philippine Constitution Association, et al., vs. Salvador Enriquez, et al.* (G.R. 113105, consolidated with three other petitions, August 19, 1994)

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Be it enacted by the Senate and the House of Representatives of the Philippines assembled.

SECTION 1. *Short Title.* This Act shall be known as the “*Education as Priority in the National Appropriations Act (EDNA Act).*”

SEC. 2. *Declaration of State Policy.* The policy of the State to assign the highest budgetary priority to education—enshrined in Section 5(5) of Article XIV—is hereby recognized, affirmed, and implemented.

SEC. 3. *Coverage.* This Act shall cover all annual national appropriations laws to be henceforth prepared, legislated, and executed.

SEC. 4. *Minimum National Budget for Education.* Annual national appropriations for the Department of Education, state universities and colleges, Technical Education and Skills Development Authority, and other agencies and instrumentalities having mandates directly related to education shall be at least equivalent to six (6) percent of the gross domestic product (GDP), as per UNESCO standards.

For this purpose, the Development Budget Coordinating Committee is henceforth tasked to include in the national expenditure program the country's GDP for the past four years, the current fiscal year, the fiscal year for which the annual appropriations act is being formulated, and four-year projections thereof.

SEC. 5. *Prohibition against Other Automatic Appropriations.* Upon this law's effectivity, automatic appropriations for principal and interest on public debt and national government guarantees of obligations which are drawn upon are hereby prohibited.

SEC. 6. *Prohibition against Circumvention.* Circumvention of this Act through the classification of expenditure in non-education agencies as education expenditure, or expenditure supposedly for education-related items, shall be prohibited

SEC. 7. *Protection against Sudden Fall of the GDP.* Subject to the implementing rules and regulations of this Act, the education budget shall be protected against the sudden fall of the GDP, in such a way that the education budget will still be increased or at least retained for at most, a year, rather than decreased.

SEC. 8. *Implementing Rules and Regulations.* The Department of Finance and the Department of Budget and Management, in consultation with the Department of Education, state universities and colleges, Technical Education and Skills Development Authority, and other agencies and instrumentalities mentioned in Section 4 of this Act, shall promulgate the rules and regulations necessary to implement this Act not later than ninety (90) days from its effectivity.

SEC. 9. *Separability Clause.* In case any provision in this Act shall be declared invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired.

SEC. 10. *Repealing Clause.* All laws, decrees, executive orders, proclamations, rules and regulations, and other issuances, or parts thereof which are inconsistent with the provisions of this Act, are hereby repealed or modified accordingly.

SEC. 11. *Effectivity Clause.* This Act shall take effect upon its publication in at least two (2) national newspapers of general circulation.

Approved,