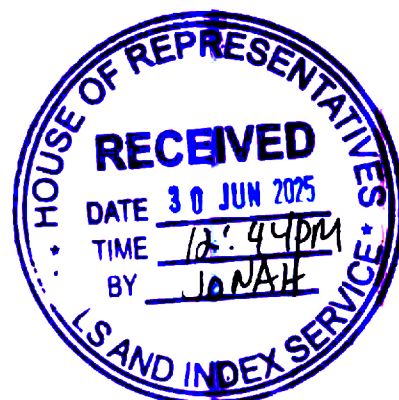


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Batasan Hills, Quezon City

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL No. 204



Introduced by
ACT Teachers Party-List Rep. ANTONIO L. TINIO
and **KABATAAN Party-List Rep. RENEE LOUISE M. CO**

AN ACT
SETTING ASIDE AN AMOUNT EQUIVALENT TO AT LEAST SIX
PERCENT OF THE GROSS DOMESTIC PRODUCT FOR THE ANNUAL
BUDGET OF 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, AND ENSURING TO EDUCATION THE HIGHEST
BUDGETARY PRIORITY

EXPLANATORY NOTE

Despite rhetoric on the 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 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

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>

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

It is in this context that the Programme for International Student Assessment (PISA) 2018 findings 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 This 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 overall 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 2022 PISA found that substantial gaps between the highest-scoring students (10% with the highest scores) and the weakest (10% with the lowest scores) in mathematics, reading, and science remains. The proportion of students scoring below a baseline level of proficiency (Level 2) did not change in those subjects, and at about 150 to 200 score points below the average among Organization for Economic Cooperation and Development (OECD) countries.

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 usually cited as having the best education system, ranking first in primary education, and second in higher education and training in the World Economic Forum's Global Competitiveness Index 2017-2018, as well as second in skills in the Global Competitiveness Report 2019.⁸ 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 dictator plunged the country into a debt quagmire, Section 31 of PD 1177 or the mandate of automatic appropriations for "principal and interest on

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>

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

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, huge sums are often automatically allotted for debt payments. In 1991, 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 as “inconsistent with the Constitution, hence, void.”⁹ In 1994, this was again raised, with petitioners arguing that automatic appropriations for debt results in a “highest priority for debt service” rather than for education. Unfortunately, the Supreme Court ruled in favor of “our enormous debt” and “credit standing,” classifying the constitutional provision as “merely directory.”¹⁰

More recently, the 2025 General Appropriations Act has been criticized as according the highest to infrastructure spending, sparking criticisms that the Philippine government is sidelining the education sector, which is already suffering from the disastrous effects of perpetual underfunding.

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.

According the highest budgetary priority to debt servicing and infrastructure spending 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, why more and more Filipino children are kept out of school, 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.

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

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

For the foregoing reasons, the passage of this bill is sought.



Rep. ANTONIO L. TINIO

ACT Teachers Party-List



Rep. RENEE LOUISE M. CO

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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 equivalent to at least six (6) percent of the gross domestic product (GDP), as per UNESCO standards.

SEC. 5. *Highest Budgetary Allocation to Education.* Congress shall ensure that the education sector receives the highest allocation in the national budget as enacted in annual general appropriations.

SEC. 6. *Implementing Rules and Regulations.* The Department of Finance and the Department of Budget and Management shall promulgate the rules and regulations necessary to implement this Act not later than ninety (90) days from its effectivity.

SEC. 7. *Separability Clause.* If any part or provision of this Act is held unconstitutional or invalid, the other parts or provision hereof which are not affected thereby shall continue to be in full force and effect.

SEC. 8. *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. 9. *Effectivity Clause.* This Act shall take effect upon its publication in at least two (2) national newspapers of general circulation.

Approved,