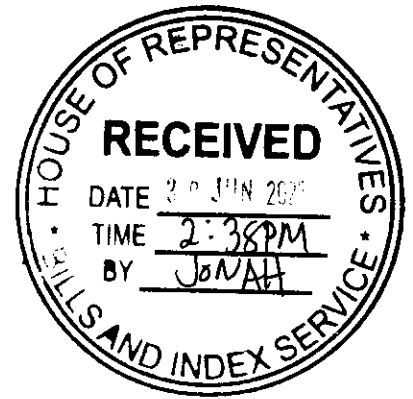




Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

House Bill No. 612



Introduced by Representative **ANTONINO B. ROMAN III**

EXPLANATORY NOTE

The Philippines, like many emerging economies, faces a persistent mismatch between the skills of its workforce and the evolving demands of industry. While we boast a young and energetic population, many of our graduates remain underemployed or unemployed due to a lack of alignment between education and economic opportunities. This is particularly true in rural and peri-urban areas, where localized development is often disconnected from the national economic agenda.

To address this, the proposed Industrial Strategy and Workforce Alignment Act seeks to institutionalize long-term, region-specific industrial planning and workforce development by leveraging the unique strengths and comparative advantages of each province and region.

Drawing inspiration from Singapore's successful model under Prime Minister Lee Kuan Yew -- where strategic partnerships between government, industry, and education helped the country transition from a labor-intensive economy to a knowledge-based one -- this bill will:

Mandate Regional Industrial Development Roadmaps

Each region will be tasked to create a 10-year industrial development plan identifying priority sectors (e.g., agribusiness, renewable energy, manufacturing, tourism, logistics, or creative industries). These plans will be based on a region's resources, geographic advantage, and labor profile, and will guide public investments and private sector incentives.

Establish Regional Skills Academies and Innovation Centers

These hubs, to be established in partnership with local government units, state universities and colleges (SUCs), private higher education institutions (HEIs), and TESDA, will offer targeted training and upskilling programs responsive to industry needs. Special focus will be given to the youth, women, displaced workers, and returning OFWs.

Provide Incentives for Industry-Based Training and Employment

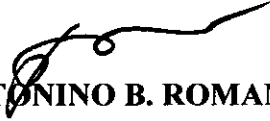
Tax perks, training subsidies, and other support mechanisms will be granted to enterprises that collaborate with government in curriculum development, apprenticeship programs, and job placement.

Create a National Labor Market Intelligence System

The bill will also mandate a labor market information system that consolidates real-time data on skills demand, graduate employability, and regional labor migration trends to guide evidence-based planning.

With this legislation, we shift from a one-size-fits-all approach to development and instead empower each region to build its own engine of growth—where education is not just about diplomas but about real jobs; and where industry is not just about profit, but about shared prosperity.

Passage of this measure is earnestly sought.



ANTONINO B. ROMAN III



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AN ACT
INSTITUTIONALIZING REGIONAL INDUSTRIAL STRATEGIES AND
WORKFORCE DEVELOPMENT PROGRAMS, AND FOR OTHER PURPOSES

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

SECTION 1. Short Title. -- This Act shall be known as the "Industrial Strategy and Workforce Alignment Act."

SECTION 2. Declaration of Policy. -- It is the policy of the State to promote inclusive economic growth by empowering regions to identify and develop their competitive advantages, and to align educational and training programs with the needs of present and future industries. The State shall strengthen public-private-academic linkages and provide resources to enable every Filipino to participate in and benefit from industrial development. This Act shall strengthen and complement, and not duplicate or supplant, existing national and regional programs by institutionalizing coordination mechanisms and aligning them under unified regional strategies.

SECTION 3. Definition of Terms. -- As used in this Act:

- a. Industrial Roadmap – a 10-year strategic plan developed by a region identifying priority sectors and economic drivers based on local strengths and global market trends.
- b. Workforce Development Program – programs and initiatives designed to equip individuals with skills required by target industries.
- c. Regional Development Council (RDC) – the highest policy-making body in the region responsible for coordinating development planning and investment programming.
- d. Regional Innovation and Skills Hub – a center for industry-specific training, research,

and development in coordination with Technical Education And Skills Development Authority (TESDA), Commission on Higher Education (CHED), State Universities and Colleges (SUCs), Higher Education Institutions (HEIs), and local governments.

SECTION 4. Regional Industrial Roadmaps. -- Within one (1) year from the effectivity of this Act, each RDC shall formulate and submit a 10-year Regional Industrial Roadmap, to be integrated into existing Regional Development Plans submitted to National Economic and Development Authority (NEDA), in consultation with local government units, Department of Trade and Industry (DTI), Department of Labor and Employment (DOLE), TESDA, CHED, Department of Education (DepEd), private sector stakeholders, and HEIs. The DTI and NEDA shall provide technical assistance to LGUs and RDCs with limited planning capacity in the preparation of roadmaps and establishment of innovation hubs. The roadmap shall include:

- a. Identification of priority industries and emerging sectors;
- b. Workforce requirements and skills gap analysis;
- c. Infrastructure, logistics, and investment needs; and
- d. Recommendations for education, training, and R&D alignment;
- e. Strategies for climate adaptation, low-carbon industrialization, and disaster-resilient infrastructure; and
- f. Key performance indicators (KPIs) such as employment growth in target industries, skills gap reduction, training-to-employment conversion rates, and private sector participation levels.

SECTION 5. Establishment of Regional Innovation and Skills Hubs. -- The DTI, in coordination with DOLE, TESDA, and CHED, shall facilitate the establishment of Regional Innovation and Skills Hubs in each region, preferably in partnership with existing public institutions. The establishment and operation of these hubs shall prioritize the use of existing public infrastructure and may be implemented through cost-sharing arrangements with LGUs, state universities and colleges (SUCs), and industry partners. Special attention shall be given to programs benefiting youth, women, persons with disabilities, and returning OFWs, including tailored skills training, mentorship, and livelihood support.

SECTION 6. Public-Private Training and Employment Incentives. -- Private companies that co-develop training programs, host apprenticeships or on-the-job training, and hire graduates of regional training programs shall be entitled to fiscal and non-fiscal incentives, including training subsidies, public recognition, and tax incentives in accordance with the Strategic Investment Priority Plan under the CREATE Act, and subject to the approval and guidelines of the Fiscal Incentives Review Board (FIRB), the Board of Investments (BOI), and the Department of Finance (DOF).

SECTION 7. National Labor Market Intelligence System. -- The DOLE shall establish a real-time Labor Market Intelligence System to integrate data from various stakeholders, guide educational institutions, and align labor supply with market demand.

SECTION 8. Inter-Agency Coordination and Oversight. -- A Joint Oversight Committee composed of the DTI, DOLE, TESDA, CHED, NEDA, and representatives from RDCs shall oversee the implementation of this Act, ensure harmonization across agencies, and submit an annual report to Congress on progress, challenges, and recommendations. The Joint Oversight Committee shall ensure the establishment of baseline indicators and track annual progress against set KPIs, recommending policy adjustments as necessary.

SECTION 9. Funding. -- The initial funding for the implementation of this Act shall be sourced from the current appropriations of the implementing agencies. Thereafter, necessary funds shall be included in the annual General Appropriations Act. Funding may also be augmented by Official Development Assistance (ODA), public-private partnerships, and grants from domestic or international sources. Thereafter, necessary funds shall be included in the annual General Appropriations Act.

SECTION 10. Implementing Rules and Regulations. -- Within ninety (90) days from effectivity, the DTI, DOLE, TESDA, and CHED shall promulgate the necessary IRR in coordination with NEDA. The IRR shall define qualification standards for co-developed training programs and certification protocols for program graduates to ensure consistency with FIRB-approved guidelines.

SECTION 11. Separability Clause. -- If any provision of this Act is declared unconstitutional or invalid, the remaining provisions not affected shall remain in full force and effect.

SECTION 12. Repealing Clause. -- All laws, decrees, rules, or parts thereof inconsistent with this Act are hereby repealed or modified accordingly.

SECTION 13. Effectivity. -- This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,