

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. **4165**



Introduced by Representative **MARLYN L. PRIMICIAS-AGABAS**

EXPLANATORY NOTE

The *Constitution of the Republic of the Philippines*, under Article II, Section 18, declares it a policy of the State to affirm labor as a primary social economic force. Moreover, *Article 3 of the Labor Code of the Philippines* states that the State shall afford protection to labor, promote full employment, ensure equal work opportunities. These constitutional and statutory declarations underscore the government's obligation to create a labor environment that is both inclusive and responsive to the evolving demands of the economy.

Yet, despite sustained economic growth and expanded access to education, the Philippine labor market continues to grapple with high levels of unemployment and underemployment, driven in large part by a persistent misalignment between the qualifications of graduates and the actual needs of industries. According to the Labor Force Survey of the Philippine Statistics Authority (PSA), the number of unemployed individuals in June 2025 was posted at 1.95 million. This was higher than the number of unemployed individuals in June 2024 at 1.62 million. In May 2025, the number of unemployed individuals was posted at 2.03 million.

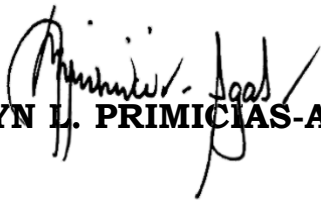
The disconnect between the skills acquired in higher education and technical-vocational institutions and those demanded by businesses continues to undermine both individual livelihoods and national productivity. A major reason for this is the absence of a structured, long-term mechanism that enables continuous dialogue and cooperation among the education sector, government, and industry. Without such coordination, reforms remain fragmented and reactive, failing to respond effectively to the rapid changes in local and global labor trends.

This bill seeks to address these long-standing challenges by creating a Tripartite Council composed of representatives from the government, academe, and industry. The Council will serve as a centralized, institutional mechanism for coordination, planning, and policy formulation focused on labor market alignment. It shall monitor economic and labor trends, conduct assessments of academic and technical programs, evaluate graduate competencies based on national and international

benchmarks, and recommend policies and reforms to improve the quality and relevance of education and training in the country. Through this Council, the government can institutionalize a sustained collaboration between sectors that will enable the country to adapt to the evolving needs of the labor market and ensure that Filipinos are not only educated but also employable.

By institutionalizing this multi-sectoral collaboration, the State can bridge the persistent gap between education and employment, ensuring that Filipino graduates are not only equipped with theoretical knowledge but also with the practical skills demanded by today's industries. In doing so, the Council will contribute to reducing unemployment and underemployment, strengthening national competitiveness, and advancing inclusive development.

In light of these urgent challenges and the opportunities they present, the immediate enactment of this measure is respectfully and earnestly sought.


MARLYN L. PRIMICIAS-AGABAS

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AN ACT
INSTITUTIONALIZING A TRIPARTITE COUNCIL TO FORMULATE POLICIES
ADDRESSING UNEMPLOYMENT, UNDEREMPLOYMENT, AND JOB-SKILLS
MISMATCH, DEFINING ITS POWERS AND FUNCTIONS, AND APPROPRIATING
FUNDS THEREFOR

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

SECTION 1. Declaration of Policy. - It is declared the policy of the State to promote the sustained development of a skilled citizenry and maintain a reservoir of national talents consisting of Filipino scientists, entrepreneurs, professionals, managers, high-level technical manpower, and skilled workers and craftsmen in all fields. Skills development can reduce unemployment and underemployment, increase productivity, and improve the standards of living.

To this end, the State shall ensure the relevance and adequacy of academic courses in the higher education curriculum and training programs offered in technical-vocational institutions in relation to the needs and requirements of the business and industry sectors and the over-all human resource requirement of the country pursuant to its economic development goals.

SEC. 2. Creation of a Tripartite Council. - There is hereby established a Tripartite Council, hereinafter referred to as the Council, that shall formulate policies and programs to address the job-skills mismatch in the country. It shall be a coordinating body among the government, academe and industry sectors to primarily monitor economic trends in the global and domestic markets, including those pertaining to business and commerce and the local labor market, and to generate information relative to employment, unemployment, underemployment, and job-skills mismatch. The Council shall be made up of representatives from the government, academe, and industry.

The government representatives shall be composed of the following: a Commissioner of the Commission on Higher Education (CHED); a Deputy Director-General of the Technical Education and Skills Development Authority (TESDA); an Undersecretary of the Department of Education (DepEd); an Undersecretary of the Department of Labor and Employment (DOLE); and an Undersecretary of the

Department of Trade and Industry (DTI).

The representatives of the academe shall be the presidents of the federations of public and private higher education institutions (HEIs), public and private technical-vocational institutions (TVIs), and accreditation bodies of higher and technical-vocational educational institutions, which include the following: Philippine Association of State Universities and Colleges; Association of Local Colleges and Universities; Coordinating Council of Private Educational Associations; Technical-Vocational Schools and Associations of the Philippines; National Network of Quality Assurance Agencies; and the Federation of Accrediting Agencies of the Philippines.

The representatives of the industry sector shall be the presidents of the following business and industry federations: Employers Confederation of the Philippines; Makati Business Club; Semiconductor and Electronics Industries in the Philippines Foundation, Incorporated; Information Technology and Business Process Association of the Philippines; Philippine Business for Education; Management Association of the Philippines; Philippine Business for Social Progress; and the People Management Association of the Philippines.

The Council shall be headed by a CHED Commissioner as Chairperson, and the Deputy Director-General of the TESDA shall be its Vice-Chairperson.

The members of the Council, except for the *ex officio* members, shall receive *per diem* for every meeting attended in accordance with existing rules and regulations.

The Council shall be attached to the CHED for administrative and budgetary purposes.

The CHED shall provide a secretariat to the Council to be manned by the organic personnel of the CHED and may be augmented by the employees from the member-agencies of the Council through detail or secondment.

SEC. 3. Powers and Functions of the Council. - The Council shall have the following specific powers and functions:

- a) Monitor the trends in the labor market, both domestic and international, and the incidence of unemployment, underemployment and the job-skills mismatch problem in the country;
- b) Formulate short-term and long-term policies, plans and programs that shall address job- skills mismatch, unemployment, and underemployment;
- c) Conduct an inventory, review and evaluation of courses, academic programs and curricula of public and private HEIs and training programs implemented by TVIs;
- d) Conduct an assessment of qualifications, skills and competencies of students and graduates of higher education courses and technical-vocational education and training and benchmark these with national and international standards

such as the Philippine Qualifications Framework, Association of Southeast Asian Nations Qualifications Reference Framework, other frameworks, and international agreements to which the Philippines is a signatory;

- e) Conduct an inventory of job specifications and skills requirement of various industries;
- f) Recommend to the President of the Philippines, Congress and other government institutions policy measures that need to be undertaken in addressing the problems of unemployment, underemployment and job-skills mismatch;
- g) Hold regular quarterly meetings; and
- h) Perform such other functions as may be necessary for its effective operation to achieve the mandate of this Act.

SEC. 4. *Annual Report and Assessment.* - Upon the effectivity of this Act, the Council shall submit an annual report to Congress on the status of employment of college students and new graduates for the last five years, as well as an assessment of the trends in the labor market and the skills required by various industries and business establishments.

SEC. 5. *Appropriations.* — The amount necessary for the implementation of this Act shall be included in the annual General Appropriations Act.

SEC. 6. *Implementing Rules and Regulations.* - Within ninety (90) days after the effectivity of this Act, the CHED shall, in coordination with the TESDA, DepEd, DTI and DOLE, as well as other education stakeholders, issue the rules and regulations for the effective implementation of this Act.

SEC. 7. *Separability Clause.* - If, for any reason, any portion or provision of this Act shall be held unconstitutional or invalid, the remaining provisions not affected thereby shall continue to be in full force and effect.

SEC. 8. *Repealing Clause.* - All laws, presidential decrees, executive orders, rules and regulations, issuances or parts thereof, which are inconsistent with the provisions of this Act, are hereby repealed, amended or modified accordingly.

SEC. 9. *Effectivity.* - This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,