

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

TWENTIETH CONGRESS
First Regular Session

House Bill No. 5393



Introduced by Representatives ERIC G. YAP AND EDVIC G. YAP

EXPLANATORY NOTE

This bill seeks to create and establish the National Academy for Technical and Vocational Skills (NATVS) System, a national network of public secondary schools offering high-quality, industry-aligned technical and vocational education. The NATVS System shall serve as a dedicated public education track focused on technical and vocational excellence. The curriculum will be designed to train students in high-demand trades and equip them with nationally recognized certifications. This will empower graduates to join the workforce with confidence, resilience, and a strong sense of dignity.

It is said that the main duty of the State is to promote and establish a socio-political and economic system that shall ensure the independence and sustainability of the nation by securing for the people the benefits of full employment, a high standard of living, equality in economic opportunities, security in old age, and other basic human rights. Hence, the State must protect and promote the right of all citizens to quality education at all levels that is accessible to all. It shall further promote full employment, a rising standard of living, and improved quality of life for all.

The demand for skilled and competent labor continues to increase in the Philippines, particularly in sectors such as construction, manufacturing, energy, and telecommunications. However, despite the implementation of the K-12 educational reform, the promise of employability after senior high school, particularly under the Technical-Vocational-Livelihood (TVL) track, has not fully materialized. Our education system still leans heavily toward academic preparation, often neglecting students who wish to enter the workforce immediately through technical and vocational pathways.

One of the key objectives of Republic Act No. 10533, or the "*Enhanced Basic Education Act of 2013*", commonly known as the K-12 Law, is to broaden the scope of high school education. It aims to go beyond traditional college preparation by offering pathways in vocational and technical careers, as well as in the creative arts, sports, and entrepreneurship. The additional two years in senior high school were intended

to equip students with job-ready skills and increase their chances of gaining employment immediately after graduation.

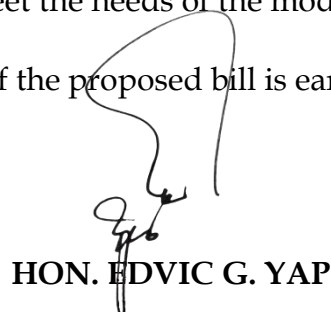
However, the National Senior High School (SHS) Tracer Study conducted by the Bureau of Curriculum Development revealed that among graduates of School Year 2017–2018, only 10.22% entered the workforce, while 82.67% pursued higher education. Although graduates from the Technical-Vocational-Livelihood (TVL) track recorded the highest employment rate among all SHS tracks, it still stood at only 9.7%¹. In addition, the Philippine Institute for Development Studies (PIDS), in its Discussion Paper Series No. 2018-49 titled “Senior High School and the Labor Market: Perspectives of Grade 12 Students and Human Resource Officers,” recommended that the TVL track be treated separately from other SHS tracks². While other tracks focus on preparing students for tertiary education, the TVL track should be structured specifically to equip students with the skills needed for immediate employment. This does not preclude graduates from pursuing college later on, but the priority should be to enable them to join the workforce right after graduation.

This vital piece of legislation is significant in strengthening the link between education and employment. By means of creating a strong alternative to the traditional college-bound path, the NATVS System empowers Filipino youth from all backgrounds, especially those from rural, marginalized, and economically disadvantaged communities, to access real opportunities. It also contributes to national development by addressing youth unemployment, closing the skills gap, and producing a competent labor force ready to meet the needs of the modern economy.

In view of the foregoing, the approval of the proposed bill is earnestly sought.



HON. ERIC G. YAP



HON. EDVIC G. YAP

¹ Bureau of Curriculum Development. (2020). National Senior High School (SHS) Tracer Study (School Year 2017–2018). Department of Education.

² Orbeta, A. C., Lagarto, M. B., Ortiz, M. K. P., Ortiz, D. A. P., & Potestad, M. V. (2018). Senior high school and the labor market: Perspectives of Grade 12 students and human resource officers (PIDS Discussion Paper Series No. 2018-49). Philippine Institute for Development Studies. <https://hdl.handle.net/10419/211069>

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AN ACT
CREATING AND ESTABLISHING THE NATIONAL ACADEMY FOR
TECHNICAL AND VOCATIONAL SKILLS SYSTEM, AND APPROPRIATING
FUNDS THEREFOR

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

Section 1. *Short Title.* — This Act shall be known as the “*The National Academy for Technical and Vocational Skills System Act*”.

SEC 2. *Declaration of Policy.* — The State shall protect and promote the right of all citizens to quality education at all levels and shall take appropriate steps to make such education accessible to all. The right to education shall be promoted with the end goal of producing graduates who are prepared to become civically-active, economically productive members of society.

The State shall also ensure that education aligns with the goals of national development and industrialization. To this end, the State shall ensure access to affordable and competitive industrial schools for the training of highly technically-skilled graduates who are able to meet the country's need for higher-order industrial skills, and who are able to find decent employment in high-value industries even without a college degree.

SEC 3. *Creation and Establishment of the National Academy for Technical and Vocational Skills Systems.* — There shall be established in every region and in every highly urbanized city at least one specialized high school to be known as the National Academy for Technical and Vocational Skills (NATVS), which shall be funded in the manner of a national high school. The NATVS System shall implement an enhanced high school education program, integrated with a special curriculum on technical-vocational courses with the end view of providing technical and vocational quality education to students to immediately fill the need of the industries on highly-technical, highly-skilled functions.

The establishment of a NATVS shall be based on the following conditions:

- a. growth potential;
- b. consistent high enrollment and inventory data;
- c. no other public schools offer any particular specializations in that area;
- d. adequate “State of the Art” facilities that will cater to specific specialization needs of learners; and
- e. strong partnership and linkage with companies and other employers within the region or highly urbanized city.

The NATVS shall be attached to the Department of Education (DepEd), in close coordination with the Technical Education Skills and Development Authority (TESDA).

SEC 4. *Objective.* — The NATVS System shall offer courses for highly specialized, higher-order industrial and technical skills, with the objective of producing graduates who meet the demands and can find employment in highly technical, high-skilled functions in the manufacturing sector and other high-value industries such as energy, machinery, mechatronics, telecommunications, and indigenous local industries.

SEC 5. *Autonomy of NATVS System over Curriculum.* — The NATVS shall exercise autonomy over the development of the school curriculum, school facilities, and industry linkages.

SEC 6. *The Board of Trustees.* — The NATVS System shall be governed by a Board of Trustees, hereinafter referred to as the “Board”, which shall be composed of the DepEd Secretary as the Chairperson, TESDA Director-General as the Vice-Chairperson, and the following as members:

- a. Department of Trade and Industry (DTI) Secretary,
- b. Department of Science and Technology (DOST) Secretary,
- c. Philippine Chamber of Commerce and Industry President,
- d. NATVS Executive Director, and
- e. a representative from the Employers' Confederation of the Philippines.

SEC. 7. *Functions of the Board.* — The Board shall have the following specific powers and duties in addition to its general powers of administration and the exercise of all the powers granted to the board of directors of a corporation under Section 35 of Republic Act No. 11232, otherwise known as the “*Revised Corporation Code of the Philippines*”:

- a. To formulate policies, guidelines and criteria in order to rationalize the establishment, administration and operation of the technical-vocational high schools under the NATVS System, and provide for general rules and regulations not contrary to law as may be necessary to achieve the purpose under this law;
- b. To identify the satellite branches and regional campuses of the NATVS System;
- c. To approve the curricula, course of study, and rules of discipline drawn up by the Executive Council as hereinafter provided;
- d. To provide and approve fellowships and trainings for faculty members and staff, and approve the grant of scholarships, stipends and such other allowances to deserving students based on the guidelines and implementing rules;
- e. To receive and appropriate to the ends specified by law such sums as may be provided by law for the support of the NATVS;
- f. To approve appointments made and contracts entered into by the Director in connection with the employment of teachers, instructors, lecturers, and other employees of the school, to fix their compensation and other conditions of employment, and to remove them for reasonable cause after an investigation and hearing shall have done;
- g. To establish the criteria for the selection and admission of students;
- h. To approve the issuance of certificates or diplomas to successful candidates for graduation;
- i. To receive, in trust, legacies, gifts, and donations of real and personal property of all kinds and to administer the same in accordance with the direction and instruction of the donor and, in default thereof, in such manner as the Board may, in its discretion, determine for the benefit of the NATVS or for aid to any of its students;
- j. To call on the industrial and manufacturing sectors and establish partnership to ensure the employability of the NATVS graduates; and
- k. To perform other acts incident to or required by virtue of its creation.

SEC. 8. *Board Meetings.* — The Board shall regularly convene at least once every quarter of the NATVS System's school calendar: *Provided,* That upon the effectivity of this Act, the Board shall immediately convene and conduct monthly meetings for purposes of choosing and appointing the Director, faculty members, and administrative staff, and an organization plan for the NATVS System.

The Chairperson of the Board may call a special meeting whenever necessary: *Provided,* That members are notified in writing at least three (3) calendar days before said meeting.

A majority of all members holding office in person or virtually shall constitute a quorum for Board meetings: *Provided,* That the Chairperson or the Vice-Chairperson of the Board are among those present in the meeting. All processes against the Board shall be served to the Secretary of the Board.

SEC. 9. *The Executive Director.* — The NATVS System shall be headed by an Executive Director who shall be appointed by the Chairperson of the Board, subject to the approval of the members of the Board based on the guidelines and qualifications set forth in the implementing rules and regulations.

The Board shall also fix the compensation of the Executive Director subject to the existing Compensation and Position Classification System.

The functions of the Executive Director shall be responsible for the administration and operation of the NATVS System, in addition to those specifically provided for in this Act. The Executive Director shall also coordinate the implementation of policies and guidelines set by the Board.

SEC. 10. *The Executive Council.* — There shall be created an Executive Council consisting of the Executive Director, the Campus Directors, heads of departments, and such other ranking faculty members or officials of the NATVS, as may be determined by the Board. The Council shall have the following specific powers and functions:

- a. To screen and select the students to be admitted to the NATVS;
- b. To select students who shall be recipients of scholarships, stipends, and other allowances;
- c. To develop the curricula, course of study, and rules of discipline, subject to the approval of the Board;
- d. To coordinate with TESDA for the implementation of quality assurance mechanisms in connection with the conduct of National Certification Examinations to the students of NATVS;
- e. To recommend for approval of the Board students eligible for graduation;

- f. To perform disciplinary function over the students;
- g. To implement and execute policies laid down by the Board; and
- h. To exercise such other functions as the Board may prescribe.

SEC. 11. *Campus Director.* — Each NATVS shall be headed by a Campus Director who shall be appointed by the Board, upon recommendation of the Executive Director on the basis of a search process. The Campus Director shall have a fixed term of six (6) years and shall not be removed from office except for cause.

The Campus Director shall be the administrative and academic head of the assigned campus and will be responsible for its effective and efficient operations. The Campus Director may constitute a management committee that may act as a consultative body for the educational needs, the standard of living on campus, and other related services for the students, faculty, and staff of the campus.

SEC. 12. *The Faculty Members and Administrative Staff.* — The Campus Director shall, upon approval of the Board, employ professional and highly skilled faculty members with long and vast experience in technical-vocational administration, education or management to ensure proper operation and maintenance of the NATVS. The faculty members and administrative staff shall be selected in accordance with such criteria as may be established by the Board which shall include, if necessary and practicable, screening and competitive examinations.

SEC. 13. *Civil Service Coverage.* — The personnel of the NATVS shall be classified into:

- a. Career service personnel, namely, those of the finance, administrative, and personnel staff and the general education faculty, who shall be covered by civil service examinations and regulations; and
- b. Non-career service personnel, consisting of the members of the faculty specializing in the various technical and vocational industry, who shall be exempt from civil service examinations and regulations.

Career and non-career service personnel shall be subject to Compensation and Position Classification System. They shall be entitled to retirement benefits enjoyed by all government personnel, in accordance with existing laws, rules and regulations. Provisions for retirement shall be included in the annual budget of the NATVS.

SEC. 14. *Assistance from National Government Agencies.* — Heads of bureaus or offices of the National Government are hereby authorized to loan or transfer, upon the request of the Campus Director of the NATVS, such apparatus, supplies, and other properties as may be needed by the NATVS, and to detail employees for duty therein, when in the judgment of the head of the bureau or office, they can be spared without serious detriment to the public service. Employees so detailed shall perform such

duties as required under such detail, and the time employed shall be counted as part of their regular official hours, all laws, rules and regulations limiting the detail of government employees notwithstanding.

SEC. 15. *Role of the Industry.* – Local chambers of commerce, manufacturing companies, economic zones and locators, and other private sector stakeholders in business and industry shall provide equipment, facilities, scholarships, mentoring, training, and jobs for graduates and students of NATVS.

SEC. 16. *Linkages with LGUs.* – The NATVS shall coordinate and collaborate with LGU where it is located for the planning and implementation of their respective programs and projects. This is vital to help facilitate alignment, synchronicity, and complementarity of plans, resources and efforts of the schools and of the LGUs, particularly its Local School Board, Public Employment Service Office, Technology and Livelihood Development Center, and the Local Economic Development and Investment Promotion Office. This includes the maintenance and updating of the skills registry and manpower mapping in the barangays.

SEC. 14. *Linkages with TESDA.* – The NATVS System shall coordinate closely with TESDA for technical assistance, development of the school curriculum, and evaluation for learners' national certificates.

Under the NATVS System programs, content and performance standards shall be aligned to the competency-based curriculum of TESDA, practical classes shall be provided by the schools and hands-on experiences acquired at partner industries, and the learning environment shall support opportunities for holistic growth and skills development of learners.

The programs to be offered by NATVS System shall be in accordance with the qualification levels in terms of the three (3) Philippine Qualifications Framework domains, namely:

- a. knowledge skills and values;
- b. application; and
- c. degree of independence.

Such quality assurance mechanisms shall be determined and evaluated by TESDA.

SEC. 18. *Free Tuition.* – As with national high schools, the NATVS shall adopt and enforce a policy on free tuition and other school fees for students. Violators of this policy shall be meted with appropriate disciplinary action and penalty.

SEC. 19. *Annual Report.* – The Board shall submit to the Office of the President of the Philippines and Congress a detailed report on the progress, condition, and needs of the NATVS System containing, among others, the financial statements, statement of assets and liabilities, other revenue sources and program for expenditures, physical and financial accountability reports, and other similar reportorial requirements on or before the fifteenth (15th) day of June of each year.

SEC. 20. *NATVS System Fund.* – There shall be established a NATVS System Fund which shall constitute all incomes and donations to the NATVS, which shall be expended by the Board exclusively for the purpose of this Act.

SEC. 21. *Tax Exemption on Donations.* – All grants, bequest, endowments, donations and contributions made to the NATVS and used actually, directly and exclusively by the NATVS, shall be exempt from donor's tax and the same shall be considered as allowable deduction from the gross income in the computation of the income tax of the donor in accordance with the provisions of Republic Act No. 8424, as amended, or the “National Internal Revenue Code of 1997”.

The payment of national taxes, including customs duties, of the NATVS shall be charged against the Tax Expenditure Fund provided for in the annual General Appropriations Act.

SEC. 22. *Appropriations.* – To carry out the purpose of this Act, including the operation of the NATVS System, the acquisition, improvement, and conditioning of the land on which the NATVS shall be located, the construction, maintenance, and repair of buildings and improvements, and the acquisition of furniture, fixtures, and equipment, there shall be appropriated at least One hundred million pesos (P100,000,000.00) for each NATVS. The Department of Budget and Management shall make the necessary adjustments to account for the differences in costs specific to the standard of living in each region.

Thereafter, the expenses of the NATVS, for the purposes above-described, shall be provided in the annual General Appropriations Act: *Provided*, That any unexpended balance from its annual budget shall also form part of the aforementioned NATVS System Fund.

SEC. 23. *Implementing Rules and Regulations.* – Within ninety (90) days from the approval of this Act, the Secretary of Education shall, in consultation with the Director General of TESDA, Secretary of Trade and Industry, Secretary of Science and Technology, President of Union of Local Authorities of the Philippines, and the President of PCCI, formulate the rules and regulations implementing the provisions of this Act. Said agencies shall, within the same period, determine the region and location of the very first NATVS. The members of the Board of the first NATVS, as may be determined, shall immediately convene and exercise its powers and functions.

SEC. 24. *Separability Clause.* — If any provision of this Act is declared invalid or unconstitutional, the remainder thereof not otherwise affected shall remain in full force and effect.

SEC. 25. *Repealing Clause.* — All laws, decrees, orders and rules and regulations contrary to or inconsistent with the provisions of this Act are hereby repealed or amended accordingly.

SEC. 26. *Effectivity.* — This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,