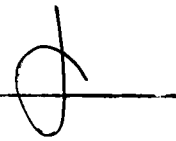


NINETEENTH CONGRESS OF THE )  
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**SENATE**  
**S. No. 2491**

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Prepared by the Committees on Labor, Employment and Human Resources Development; and Ways and Means, with Senators Padilla, Villar, C., Revilla, Lapid, Villar, M., Villanueva, and Estrada as authors thereof.

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**AN ACT**  
**ESTABLISHING A NATIONAL APPRENTICESHIP PROGRAM**

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

1           Section 1. *Short Title.* – This Act shall be known as the “*National*  
2           *Apprenticeship Program Act of 2023*”.

3           Sec. 2. *Declaration of Policy.* – It is hereby declared the policy of the State  
4           to establish a national apprenticeship program that will ensure the availability of  
5           qualified workforce in the field of critical and in-demand technical skills through  
6           the active participation of all stakeholders including but not limited to workers,  
7           enterprises, government agencies, and non-governmental organizations  
8           concerned.

9           Sec. 3. *Statement of Objectives.* – This Act aims to:

- 10           a. help meet the demand of the economy for quality, trained, skilled and  
11           competent workforce in highly technical occupations;
- 12           b. establish a national apprenticeship program and enhance existing  
13           standards for the training and development of apprentices with  
14           multipartite involvement;
- 15           c. promote the engagement of workers through training and  
16           development;
- 17           d. recognize the indispensable role of enterprises in the training and

- 1 development of the Filipino workforce;
- 2 e. strengthen career development support program, including guidance
- 3 and counseling services and other advocacy activities in the
- 4 apprenticeship training program to encourage the participation of
- 5 enterprises and workers;
- 6 f. increase productivity and competitiveness of enterprises by ensuring
- 7 the availability of skilled workforce;
- 8 g. harness corporate social responsibility towards the development of a
- 9 skilled workforce to meet the requirements of industries;
- 10 h. impart professional skills, knowledge and qualifications which are
- 11 necessary to engage in a form of skilled occupational activity;
- 12 i. match skills supply to the fast-changing labor market needs; and
- 13 j. promote gender equality and social inclusion.

14 *Sec. 4. Definition of Terms. – As used in this Act:*

15 *a. Apprentice* refers to a person undergoing education and training for an

16 approved apprenticeable occupation during an established period

17 governed by an apprenticeship agreement;

18 *b. Apprenticeable Occupation* refers to a highly technical occupation

19 requiring specialized technical skills and must satisfy any of the

20 following:

21 i. occupation related to the priority sectors identified in the

22 Philippine Development Plan (PDP) or by the Industry Boards as

23 defined in this Act;

24 ii. new and emerging occupation; and

25 iii. in-demand and hard-to-fill occupation.

26 *c. Apprenticeship* refers to any form of education and training that is

27 governed by an apprenticeship agreement and enables an apprentice to

28 acquire the competencies required to train in an occupation with training

29 allowance consisting of both on-the-job and off-the-job training that leads

30 to a recognized qualification;

31 *d. Apprenticeship agreement* refers to a contract wherein a prospective

32 enterprise binds itself to train the apprentice who in turn accepts the

- 1 terms/conditions of the training for the recognized apprenticeable  
2 occupation emphasizing the rights, duties and responsibilities of each  
3 party;
- 4 e. *Bipartite Enterprise Apprenticeship Committee* refers to a group established  
5 by the enterprise composed of representatives of labor and management  
6 responsible for settling differences arising from the apprenticeship  
7 agreement;
- 8 f. *Board* refers to the Technical Education and Skills Development Authority  
9 (TESDA) Board;
- 10 g. *Certificate of Competency* refers to a document issued by the TESDA to  
11 individuals who are assessed as competent in a cluster of related  
12 competencies;
- 13 h. *Certificate of Technical-Vocational Education and Training Program*  
14 *Registration (CTPR)* refers to a document issued by the TESDA granting  
15 authority to an enterprise to offer a program in an apprenticeable  
16 occupation;
- 17 i. *Cluster of units of competency* refers to a group of competencies as defined  
18 in the Training Regulations that corresponds to a Certificate of  
19 Competency. A cluster of units of competency includes the basic, common  
20 and core competencies that can be offered as a registered program;
- 21 j. *Competency assessment* refers to the process of collecting evidence to  
22 determine the acquired knowledge, skills and attitude of an individual in  
23 accordance with the standard performance expected at the workplace;
- 24 k. *Competency standard* refers to a written specification of the knowledge,  
25 skills, attitude and values required for the performance of a job, occupation  
26 or trade and the corresponding standard of performance required in the  
27 workplace;
- 28 l. *Enterprise* refers to a participating establishment that directly engages an  
29 apprentice based on an approved apprenticeship program;
- 30 m. *Hazardous workplace* refers to a specific area within an establishment  
31 where a worker is exposed to potential risks of disabling injury, illness or  
32 death, but may exclude other areas within the same establishment where

1 such risks are not present. The following are considered hazardous  
2 workplace:

3 (1) Where workers are exposed to dangerous environmental elements,  
4 contaminants or work conditions including ionizing radiation, chemicals,  
5 fire, flammable substances, noxious components and the like;

6 (2) Where the workers are engaged in construction work, logging, fire  
7 fighting, mining, quarrying, blasting, stevedoring, dock work, deep-sea  
8 fishing and mechanized farming;

9 (3) Where the workers are engaged in the manufacture or handling of  
10 explosives and other pyrotechnic products;

11 (4) Where the workers use or are exposed to power-driven or explosive  
12 powder-actuated tools; and

13 (5) Where the workers are exposed to biological agents such as bacteria,  
14 fungi, viruses, protozoans, nematodes, and other parasites.

15 n. *Highly technical occupation* refers to a position with a complex program  
16 characterized by all of the following:

17 (1) Involves skills that are customarily learned through a structured,  
18 systematic program of supervised on-the-job training;

19 (2) Involves the progressive attainment of manual, mechanical or technical  
20 skills and knowledge which, in accordance with the industry standards  
21 for the occupation, would require the completion of at least six (6)  
22 months of on- and off-the-job training;

23 (3) Requires related instruction to supplement the on-the-job training.

24 o. *In-demand and hard-to-fill occupation* refers to an active job vacancy  
25 advertised recurrently by the companies which are having difficulty filling  
26 up a vacancy or taking longer time to be filled;

27 p. *Industry Association* refers to an organization of independent business  
28 units in the same branch of industry, which conducts activities  
29 cooperatively aimed at improving the welfare of the group;

30 q. *Industry Board* refers to an independent body established in priority  
31 industries to provide direct participation of employers and workers in the  
32 design and implementation of skills development schemes, trade skills

- 1 standardization and certification and such similar functions;
- 2 r. *Labor Organization* refers to any union or association of employees which
- 3 exists in whole or in part for the purpose of collective bargaining or of
- 4 dealing with employers concerning terms and conditions of employment;
- 5 s. *New and emerging occupation* refers to occupation that is not included in
- 6 the current occupational classification system, and has the potential for
- 7 growth to become important in the future;
- 8 t. *Off-the-Job training* refers to theoretical vocational training undertaken
- 9 away from the actual workplace. It is usually only part of a whole training
- 10 program, in which it is combined with on-the-job training;
- 11 u. *On-the-job training* refers to a practical approach to acquiring
- 12 competencies and skills needed for a job in the actual workplace;
- 13 v. *Qualification* refers to a package of competencies describing a particular
- 14 function or job role existing in an economic sector covering the work
- 15 activities required to undertake a particular job;
- 16 w. *Trade* refers to any group of interrelated jobs or any occupation which is
- 17 traditionally or officially recognized as craft or artisan in nature requiring
- 18 specific qualifications that can be acquired through work experience and/or
- 19 training; and
- 20 x. *Training plan* refers to the specification for the apprenticeship program of
- 21 an enterprise which describes all the learning experiences an apprentice
- 22 undergoes generally including the competencies to be acquired within the
- 23 program, the underpinning knowledge, theories and principles, and the
- 24 assessment arrangements.

25 Sec. 5. *Apprenticeship Models*. – Enterprises with approved

26 apprenticeship programs shall choose from any of the following apprenticeship

27 models:

- 28 a. Apprenticeship involving a company and an identified training institution;
- 29 b. Apprenticeship involving a group of companies and a training institution;
- 30 c. Apprenticeship involving an industry training center and a company or a
- 31 group of companies; or,
- 32 d. Other schemes to be established by the TESDA in consultation with

1 industries, enterprises and other stakeholders.

2 *Sec. 6. Qualifications of an Apprentice.* – To qualify as an apprentice, a  
3 person must:

- 4 a. Be at least fifteen (15) years of age; provided that those who are at least  
5 fifteen (15) but not more than eighteen (18) years of age shall not be  
6 eligible for apprenticeship in-hazardous workplace;
- 7 b. Pass the aptitude tests designed and approved by TESDA to determine the  
8 readiness for apprenticeship;
- 9 c. Have the ability to comprehend and follow oral and written instructions;  
10 and
- 11 d. Submit a recent "Fit-to-Work Certificate" from a recognized health clinic or  
12 licensed physician.

13 *Provided, however,* That an apprentice shall not be precluded from  
14 participating in other apprenticeship programs of TESDA.

15 Trade, industry and labor organizations may recommend to TESDA  
16 appropriate educational requirements for different occupations.

17 *Sec. 7. Non-Discrimination of Apprentice.* – The apprentices and their  
18 application, education and training shall be treated without distinction or  
19 discrimination on account of class, age, sex, gender, language, ethnicity, religion,  
20 ideology, disability, education, and status.

21 *Sec. 8. Determination of Apprenticeable Occupation.* – The TESDA Director-  
22 General shall issue an initial list of apprenticeable occupations, in consultation with  
23 stakeholders.

24 The Technical Education and Skills Development Committees in the  
25 regional level as created under Republic Act No. 7796, otherwise known as the  
26 "TESDA Act of 1994", shall endorse new apprenticeable occupation based on the  
27 regional skills priorities through the conduct of skills mapping and validation from  
28 the industry boards or industry associations and other concerned stakeholders in  
29 the area to be approved by the TESDA Director General. The consultation with  
30 the industry shall be conducted every three (3) years: *Provided, however,* That  
31 consultation may be called to discuss the urgent need for additional  
32 apprenticeable occupations based on new and emerging skills.

1           Sec. 9. *Apprenticeship Program Registration.* – Applying any of the  
2 apprenticeship models, an enterprise may apply for the registration of an  
3 apprenticeship program for a qualification, a cluster of units of competencies, or  
4 endorsed new apprenticeable occupation or bundled qualifications by submitting  
5 the following requirements:

- 6           a. letter of application stating the intention of the enterprise to implement an  
7            apprenticeship program;
- 8           b. certificate of undertaking; and
- 9           c. training plan which shall contain the following:
  - 10            i. competencies to be acquired;
  - 11            ii. assessment and certification arrangement; and
  - 12            iii. training modalities.

13           The apprenticeship program shall emphasize the need for theoretical  
14 instruction. The theoretical instruction may be delivered within the enterprise or  
15 with a partner training institution. The enterprise may have a partnership with a  
16 training institution in its design, delivery and monitoring of the training plan.

17           A Certificate of TVET Program Registration (CTPR) shall be issued to the  
18 enterprise to signify authorization to deliver the training for specific qualifications,  
19 a cluster of units of competencies, or endorsed new apprenticeable occupation or  
20 bundled qualification.

21           Sec. 10. *Aptitude Testing of Applicants.* – TESDA shall develop an aptitude  
22 testing instrument for this program. Consistent with the minimum qualifications  
23 of an apprentice under Section 6 of this Act, the enterprise shall administer the  
24 aptitude examination in the selection of apprentices.

25           Sec. 11. *Apprenticeship Agreement.* – No apprenticeship program shall  
26 commence unless an apprenticeship agreement has been signed by the enterprise  
27 and the apprentice.

28           The apprenticeship agreement shall include but not limited to the  
29 following:

- 30           a. Objectives, nature, syllabus, timetable, and location of the training;
- 31           b. Period of training based on the approved training plan;
- 32           c. Rate, schedule and frequency of release of training allowances as provided

1 for in Section 12 of this Act;

2 d. Training hours;

3 e. Rights and obligations of both parties; and

4 f. Provision of Occupational Safety and Health (OSH) standards on addressing  
5 safety and health hazards and mental health programs, as reasonably  
6 necessary, including the physical and mental well-being of the apprentice  
7 while undergoing apprenticeship.

8 An apprenticeship agreement with a person under eighteen (18) years of  
9 age shall be signed by the parent or guardian of said person or if the latter is not  
10 available, by a duly authorized representative. A copy of the duly notarized  
11 apprenticeship agreement shall be submitted by the enterprise to TESDA prior to  
12 the start of the program.

13 Sec. 12. *Training Allowance.* – The apprentice shall receive a training  
14 allowance which shall in no case be lower than seventy-five percent (75%) of the  
15 applicable minimum wage rates: *Provided, however,* That apprentices with  
16 programs exceeding six (6) months shall be entitled to a commensurate increase  
17 subject to evaluation of productivity to be conducted by the enterprise.

18 Training hours shall not exceed eight (8) hours a day, subject to an  
19 additional twenty-five percent (25%) of the hourly rate for every hour in excess  
20 of eight (8) hours for programs that require additional training hours. In no case  
21 shall the overtime period be more than two (2) hours per day.

22 The training hours of minors shall not exceed forty (40) hours per week.  
23 In no case shall they be allowed to render overtime.

24 The time spent in off-the-job training shall be part of the total number of  
25 training hours. The frequency of the release of the training allowance shall be at  
26 least twice a month.

27 Sec. 13. *Training of Apprentices.* – Only enterprises with apprenticeship  
28 programs registered with TESDA may enter into apprenticeship agreements and  
29 train apprentices in approved apprenticeable occupations.

30 No enterprise shall be allowed to engage apprentices more than twenty  
31 percent (20%) of the total number of its employees: *Provided,* That the TESDA  
32 may, upon recommendation of the Industry Board or Industry Association,



1 increase the cap, if necessary: *Provided, further,* That any person who shall be  
2 engaged as an apprentice in excess of the threshold herein provided shall be  
3 considered as a regular employee of the enterprise concerned if no such prior  
4 authority to increase the threshold have been granted by the TESDA.

5       *Sec. 14. Apprenticeship Period.* – The apprenticeship period shall be based  
6 on the duration of training required in the training plan and on the complexity of  
7 the skills to be learned by the apprentices but shall not exceed three (3) years.

8       *Sec. 15. Implementing Agency.* – TESDA shall be responsible for setting  
9 up the overall apprenticeship policy and standards subject to the approval of the  
10 Board.

11       TESDA, through the Office of Apprenticeship, shall have the following  
12 functions and responsibilities:

- 13       a. Determine and issue the initial list of apprenticeable occupations and  
14       approve new apprenticeable occupations as endorsed by a multipartite  
15       body;
- 16       b. Approve and certify apprenticeship programs applied for registration by  
17       enterprises;
- 18       c. Issue policies and guidelines on the implementation of the apprenticeship  
19       programs;
- 20       d. Coordinate with the Department of Labor and Employment (DOLE) relative  
21       to its inspectorate function to monitor compliance of enterprises with the  
22       apprenticeship program;
- 23       e. Monitor the implementation of approved and certified apprenticeship  
24       programs by registered enterprises;
- 25       f. Issue resolutions on complaints arising from the apprenticeship agreement;
- 26       g. Validate and certify apprentices who successfully passed the assessment  
27       process;
- 28       h. Conduct compliance audit on apprenticeship programs and implementers;  
29       and
- 30       i. Cancel certificates of program registration of enterprises that fail to comply  
31       with the requirements.

32       The Office of Apprenticeship shall be headed by a Director IV and shall

1 have two (2) Divisions. It shall have regional and provincial offices to ensure the  
2 effective implementation of this Act.

3         *Sec. 16. Training Certificate.* – A training certificate is to be issued by the  
4 authorized enterprise and its partner training institution to the apprentice upon  
5 completion of the apprenticeship program in accordance with the approved  
6 training plan. The certificate shall contain the number of hours spent in  
7 apprenticeship and the list of the competencies acquired consistent with the  
8 training plan. In the event that the apprentice is hired by the enterprise before  
9 the completion of the program, a training certificate shall likewise be issued to the  
10 apprentice.

11         *Sec. 17. Competency Assessment and Certification.* – An apprentice shall  
12 undergo TESDA's national assessment and certification for qualifications with  
13 TESDA-promulgated Training Regulations. Successful candidates who  
14 demonstrated competence for the full or partial requirements of the qualifications  
15 shall be awarded a National Certificate (NC) or a Certificate of Competency (COC).

16         For an apprenticeable occupation without an established TESDA National  
17 Certification system, an institutional assessment tool shall be developed by the  
18 enterprise or with its partner training institution. An appropriate industry  
19 certification shall be duly endorsed by the Industry Board to be recognized by  
20 TESDA before the implementation of any apprenticeship program.

21         *Sec. 18. Incentives to Enterprise.* – Enterprises shall be allowed to deduct  
22 from their taxable income the amount of fifty percent (50%) of the labor training  
23 expenses incurred from developing the productivity and efficiency of  
24 apprentices: *Provided,* That such expenses shall not exceed ten percent (10%) of  
25 their total direct labor expenses.

26         *Sec. 19. System of Equivalency.* – Certified apprentices shall be awarded  
27 equivalent unit credits in the formal system of education that can be used in  
28 pursuing tertiary degree courses subject to the integrated policies and guidelines  
29 on equivalency and the Recognition of Prior Learning of the TESDA, the  
30 Commission on Higher Education and the Department of Education.

31         *Sec. 20. Exemption from Probationary Employment.* – Certified apprentices  
32 shall be exempted from probationary employment: *Provided,* That they are

1 employed in the same enterprise and for the same occupation requiring the same  
2 skills and qualification standards.

3       Sec. 21. *Insurance for Apprentices.* – Every enterprise implementing an  
4 apprenticeship program shall provide a disability or accident insurance policy from  
5 a registered insurance company in favor of the apprentice during the  
6 apprenticeship period.

7       Sec. 22. *Settlement of Differences and Investigation of Complaints.* – The  
8 Bipartite Enterprise Apprenticeship Committee, *motu proprio* or upon complaint of  
9 any interested party, shall have the initial responsibility for settling differences  
10 arising out of an apprenticeship agreement. In case it is not able to settle such  
11 differences, the TESDA Provincial Director shall investigate and submit a  
12 recommendation to the TESDA Regional Director who shall render a decision  
13 pursuant to pertinent rules and regulations.

14       Sec. 23. *Appeal to the TESDA Director General.* – The decision of the  
15 TESDA Regional Director may be appealed by any aggrieved person/party to the  
16 TESDA Director General within fifteen (15) days from receipt of the decision. The  
17 decision of the TESDA Director General shall be final and executory.

18       Sec. 24. *Violation of this Act.* – Any violation of the provisions of this Act  
19 shall be under the jurisdiction of TESDA through its regional offices. If the  
20 violation constitutes deficiency of labor standards and other labor laws, TESDA,  
21 through its regional offices, shall endorse the same to the appropriate regional  
22 offices of the DOLE, pursuant to Article 128 of the Labor Code of the Philippines,  
23 as amended.

24       Sec. 25. *Termination of Apprenticeship.* – The apprenticeship agreement  
25 shall be binding during its term. However, the apprentice or the enterprise may  
26 terminate the agreement for cause, or by mutual consent of the parties upon prior  
27 notice.

28       Sec. 26. *Prohibited Acts and Penalties.* – The following acts are hereby  
29 prohibited:

- 30       a) Commission of fraud or deceit in the application or registration and  
31       implementation of the apprenticeship program;  
32       b) Termination of the apprenticeship program without valid cause;

- 1 c) Non-payment of training allowance or payment of training allowance below  
2 the prescribed amount;
- 3 d) Assignment to hazardous workplaces and occupations not part of the  
4 apprenticeship program; and
- 5 e) Non-compliance with any conditions or obligations prescribed under this  
6 Act or its implementing rules and regulations.

7 Any person or enterprise who commits any of the prohibited acts provided  
8 in the above enumeration or violates any of the provision of this Act or its  
9 implementing rules and regulations, shall be fined by the DOLE, or upon  
10 recommendation of TESDA, in the amount of not less than Ten thousand pesos  
11 (P10,000.00) nor more than One hundred thousand pesos (P100,000.00).  
12 Further, the Director-General may also order the suspension or revocation of the  
13 CTPR granted to an enterprise.

14 The penalties under this Section are without prejudice to other liabilities  
15 arising from existing civil, administrative, and criminal laws for the same act or  
16 violation.

17 *Sec. 27. Transitory Provision.* – All existing programs and Training  
18 Regulations shall be valid until after the TESDA has conducted an assessment and  
19 revalidation for consistency with the provisions of this Act and its implementing  
20 rules and regulations.

21 *Sec. 28. Appropriations.* – The funds necessary for the initial  
22 implementation of this Act shall be charged against the available funds of TESDA.  
23 Thereafter, the funding shall be included in the budget of TESDA under the annual  
24 General Appropriations Act.

25 *Sec. 29. Implementing Rules and Regulations.* – TESDA, in consultation  
26 with relevant stakeholders, shall issue the implementing rules and regulations  
27 within one hundred twenty (120) days after the effectivity of this Act.

28 *Sec. 30. Separability Clause.* – If any provision of this Act is held invalid or  
29 unconstitutional, the same shall not affect the validity and effectivity of the other  
30 provisions hereof.

31 *Sec. 31. Repealing Clause.* – Book II, Title II, Chapter I (Apprentices) of  
32 Presidential Decree 442, or the Labor Code of the Philippines, as amended, the

1 relevant provisions of Republic Act No. 7796 or the "TESDA Act of 1994", Republic  
2 Act No. 7686 or the "Dual Training System Act of 1994" and all other laws,  
3 presidential decrees, issuances, executive orders, letters of instruction, and rules  
4 and regulations inconsistent with the provisions of this Act are hereby repealed or  
5 modified accordingly.

6           Sec. 32. *Effectivity.* – This Act shall take effect after fifteen (15) days  
7 following the completion of its publication either in the *Official Gazette*, or in a  
8 newspaper of general circulation.

*Approved,*