

23 NOV 21 A9:39

SENATE

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COMMITTEE REPORT NO. 171

Submitted by the Committees on Labor, Employment and Human Resources Development; and Ways and Means on NOV 21 2023.

Re: Senate Bill No. 2491

Recommending its approval in substitution of Senate Bill Nos. 1083, 1513, 1912, 2088 and 2354; and taking into consideration House Bill No. 6523.

Sponsor: Senator Jinggoy Ejercito Estrada

MR. PRESIDENT:

The Committees on Labor, Employment and Human Resources Development; and Ways and Means, to which were referred:

Senate Bill No. 1083 introduced by Senator Jinggoy E. Estrada, Senator Robinhood C. Padilla, and Senator Cynthia A. Villar, entitled:

"AN ACT REFORMING THE NATIONAL APPRENTICESHIP PROGRAM AND PROVIDING STANDARDS FOR THE TRAINING AND EMPLOYMENT OF APPRENTICES, AND REGULATORY STANDARDS FOR ACCREDITATION OF APPRENTICESHIP PROGRAMS"

Senate Bill No. 1513 introduced by Senator Ramon Bong Revilla, Jr., entitled:

"AN ACT PROVIDING FOR A REVISED NATIONAL APPRENTICESHIP PROGRAM, REPEALING FOR THE PURPOSE

**CHAPTERS I AND II OF TITLE II, BOOK II OF PRESIDENTIAL
DECREE NO. 442, AS AMENDED, OTHERWISE KNOWN AS THE
LABOR CODE OF THE PHILIPPINES"**

Senate Bill No. 1912 introduced by Senator Manuel "Lito" M. Lapid, entitled:

**"AN ACT PROVIDING FOR A REVISED NATIONAL
APPRENTICESHIP PROGRAM REPEALING FOR THE PURPOSE
CHAPTERS I AND II OF TITLE II, BOOK II OF PRESIDENTIAL
DECREE NO. 442, AS AMENDED, OTHERWISE KNOWN AS THE
LABOR CODE OF THE PHILIPPINES"**

Senate Bill No. 2088 introduced by Senator Mark A. Villar, entitled:

**"AN ACT REFORMING THE NATIONAL APPRENTICESHIP
PROGRAM AND PROVIDING STANDARDS FOR THE TRAINING
AND EMPLOYMENT OF APPRENTICES, AND REGULATORY
STANDARDS FOR ACCREDITATION OF APPRENTICESHIP
PROGRAMS"**

Senate Bill No. 2354 introduced by Senator Joel Villanueva, entitled:

**"AN ACT PROVIDING FOR A REVISED NATIONAL
APPRENTICESHIP PROGRAM, CLARIFYING THE STANDARDS
FOR TRAINING AND ENGAGEMENT OF APPRENTICES AND
ACCREDITATION OF APPRENTICESHIP PROGRAMS, AND
REPEALING FOR THE PURPOSE CHAPTERS I AND II OF TITLE
II, BOOK II OF PRESIDENTIAL DECREE NO. 442, AS
AMENDED, OTHERWISE KNOWN AS THE LABOR CODE OF THE
PHILIPPINES"**

taking into consideration:

House Bill No. 6523 introduced by Representatives Romualdez, F.M.; Romualdez, Y.M.; Marcos, F.A.; et. al., entitled:

"AN ACT PROVIDING FOR A REVISED NATIONAL APPRENTICESHIP PROGRAM REPEALING FOR THE PURPOSE CHAPTERS I AND II OF TITLE II, BOOK II OF PRESIDENTIAL DECREE NO. 442, AS AMENDED, OTHERWISE KNOWN AS THE LABOR CODE OF THE PHILIPPINES"

have considered the same and have the honor to report it back to the Senate with the recommendation that the attached **Senate Bill No. 2491** prepared by the Committees, entitled:

"AN ACT ESTABLISHING A NATIONAL APPRENTICESHIP PROGRAM"

be approved in substitution of Senate Bill Nos. 1083, 1513, 1912, 2088 and 2354; and taking into consideration House Bill No. 6523, with Senators Padilla, Villar, C., Revilla, Lapid, Villar, M., Villanueva, and Estrada, as authors thereof.

Respectfully submitted:

Chairperson


SEN. JINGGOY EJERCITO ESTRADA

Committee on Labor, Employment and Human Resources Development



SEN. WIN GATCHALIAN

Committee on Ways and Means;

Member, Committee on Labor, Employment and Human Resources Development

*Anti
Amud.*

Vice-Chairperson



SEN. RAFFY T. TULFO

Committee on Labor, Employment and Human Resources Development;

Member, Committee on Way and Means

may



SEN. SONNY ANGARA

Committee on Ways and Means

Members

SEN. RAMON BONG REVILLA JR.

Committee on Labor, Employment
and Human Resources Development



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Committee on Labor, Employment
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Member, Committee on Ways and Means

SEN. GRACE POE

Committee on Labor, Employment
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SEN. RONALD "Bato" DELA ROSA

Committee on Labor, Employment
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SEN. FRANCIS "CHIZ" G. ESCUDERO
Committee on Ways and Means

SEN. IMEE R. MARCOS
Committee on Ways and Means

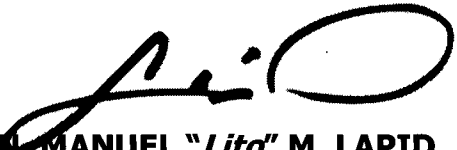
SEN. RISA HONTIVEROS
Committee on Labor, Employment
and Human Resources Development;
Member, Committee on Ways and Means

*will interpellate, I may
propose amendments.*

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Member, Committee on Ways and Means

Ex-Officio Members



SEN. LOREN LEGARDA
Senate President Pro-Tempore



"may interpellate and/or amend"

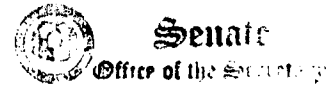
SEN. JOEL VILLANUEVA
Majority Leader



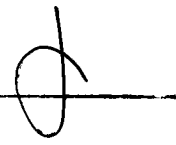
SEN. AQUILINO PIMENTEL III
Minority Leader

HON. JUAN MIGUEL F. ZUBIRI
Senate President

NINETEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Second Regular Session)



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SENATE
S. No. 2491

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.

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,