

Republic of the Philippines
TECHNICAL EDUCATION AND SKILLS DEVELOPMENT AUTHORITY
East Service Road, South Superhighway, Taguig City

56th TESDA Board Meeting
27 July 2007, Friday, 1:00 PM
7th Floor TESDA Board Room, Office of the Chair
Taguig City

RESOLUTION No. 2007- 30
(page 1 of 2 pages)

**EXPRESSING TESDA'S POSITION TO TREAT THE TESDA LAW AND ITS
IRR AS REFERENCE DOCUMENTS IN THE ONGOING LABOR CODE IRR
REVIEW PROCESS**

WHEREAS, DOLE Administrative Order 223 Series 2006 created the Code Review Council and the Technical Study Groups (TSGs) to study, discuss and recommend amendments and or revision to the respective areas of study in the amendment and revisions of the Labor Code IRR;

WHEREAS, during the 56th TESDA Board meeting held July 27, 2007, the TESDA Secretariat presented to the Board the proposed position on the ongoing review of the Labor Code IRR;

WHEREAS, Book II of the Labor Code (Title I, Title II Chapter 1 and 2) and its corresponding IRR have been superseded by RA 7796, and that particular provisions of Book II of the Labor Code have been repealed if they are contrary or inconsistent with the TESDA Law;

WHEREAS, the only body that has the authority to introduce and approve any revision or amendment to the TESDA Law IRR is the TESDA Board;

WHEREAS, the TESDA Board takes cognizance of the level of independence the DOLE has provided the TESDA Board and its Secretariat for so many years, allowing the Board to be the moving engine of management and direction setting for the TVET sector;

WHEREAS, the TESDA Board recognizes TESDA's contribution to the overall framework of DOLE in employment policy and that there are policy recommendations that TESDA wishes to propose to enhance employment policy;

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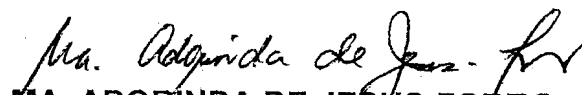
**EXPRESSING TESDA'S POSITION TO TREAT THE TESDA LAW AND ITS
IRR AS REFERENCE DOCUMENTS IN THE ONGOING LABOR CODE IRR
REVIEW PROCESS**

THEREFORE, the Board considered and agreed to adopt as the official position, to treat the TESDA Law and Its Implementing Rules And Regulations as reference documents In the ongoing Labor Code IRR Review Process;

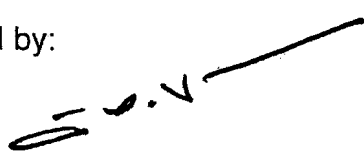
BE IT RESOLVED FURTHER, that The Ongoing Labor Code IRR Review Process should lead to removing any possible duplication, improving the level of coordination and complementation, and, increasing the relevance of both DOLE and TESDA to the demands of the labor market;

BE IT RESOLVED FINALLY, that copies of this resolution be disseminated to DOLE and other concerned agencies for their consideration.

Adopted this 27th day of July 2007 .


MA. ADORINDA DE JESUS-FORRO
Board Secretary VI

Attested by:


DR AUGUSTO BOBOY SYJUCO
Alternate Chair, TESDA Board
Secretary and Director General
Technical Education and Skills Development Authority (TESDA)

SEC. ARTURO D. BRION, DOLE
Chair, TESDA Board

SEC. AUGUSTO BOBOY SYJUCO, TESDA
Alternate Chair, TESDA Board

EXEC. DIR. ADELAIDA L. INTON
Representative of SEC. PETER B. FAVILA
Government Sector, DTI

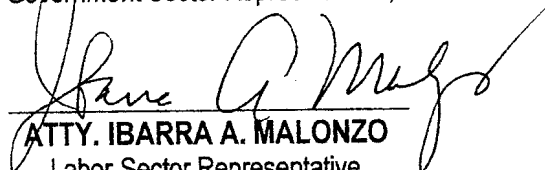
SEC. JESLI A. LAPUS
Government Sector Representative, DepEd

SEC. ARTHUR C. YAP
Government Sector Representative, DA

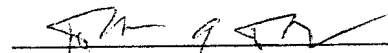
SEC. RONALDO V. PUNO
Government Sector Representative, DILG

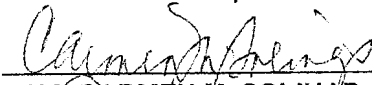
SEC. ESTRELLA F. ALABASTRO
Government Sector Representative, DOST

COMMISSIONER NONA S. RICAFORT
Representative of ACTING CHAIR CARLITO S. PUNO
Government Sector, CHED

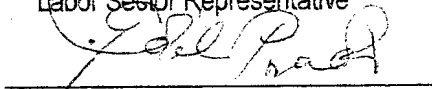

ATTY. IBARRA A. MALONZO
Labor Sector Representative

MR. ISIDRO ANTONIO C. ASPER
Labor Sector Representative



MR. JOVENCIO G. AVENIDO
Labor Sector Representative


MS. CARMEN M. SOLINAP
Labor Sector Representative


MS. CONCEPCION G. DODD
Labor Sector Representative


MR. GREGORIO C. DEL PRADO
Labor Sector Representative

DIR. ALBERT MITCHELL L. LOCSIN
Employer Sector Representative


ATTY. RANULFO P. PAYOS
Employer Sector Representative

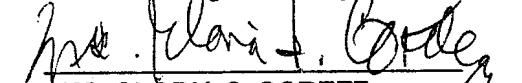
DR. EDUARDO G. ONG
Employer Sector Representative

DR. FRANCIS C. CHUA
Employer Sector Representative

DR. TERESITA U. QUIRINO
Education & Training Sector Representative

BISHOP PRECIOSO D. CANTILLAS
Education & Training Sector Representative

DR. JOSELITO S. SANDEJAS
Business & Investment Sector Representative


MS. GLORIA S. CORTEZ
Business & Investment Sector Representative



FILE

TECHNICAL EDUCATION AND SKILLS DEVELOPMENT AUTHORITY

August 7, 2007

HONORABLE ARTURO D. BRION
Secretary
Department of Labor and Employment
DOLE Executive Bldg., Intramuros, Manila

OFFICE OF USEC. ROMEO C. LAGMAN	
Department of Labor and Employment	
REC'D BY:	<i>CB Fongonido</i>
DATE:	<i>8/8/07</i>
NUMBER:	
TIME:	<i>10:55 am</i>

Attention: Undersecretary ~~Romeo C. Lagman~~
Chair, Labor Code Review Committee

Undersecretary Luzviminda G. Padilla
Head, IRR Review Project

Dear Secretary Brion: */SIR*

With reference to the ongoing review of the Labor Code IRR, we are forwarding to you TESDA's official position as per discussion of the TESDA Board.

The TESDA Board in its meeting held July 27, 2007, passed **TESDA Board Resolution No. 2007-30, Expressing TESDA's Position to treat the TESDA Law and its Implementing Rules and Regulations as reference documents in the ongoing Labor Code IRR review process.** Further, it was resolved that the ongoing Labor Code IRR review process should lead to removing any possible duplication, improving the level of coordination and complementation, and, increasing the relevance of both DOLE and TESDA to the demands of the labor market.

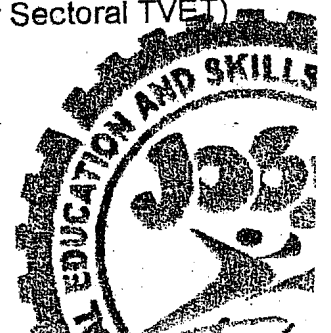
We are enclosing herewith, together with the TESDA Board Resolution No. 2007-30, the TESDA Law and its IRR as the reference documents to the ongoing Labor Code IRR review.

More power to you and the DOLE Family. Thank you.

Very truly yours,

[Signature]
MILAGROS DAWA-HERNANDEZ
Officer-in Charge
(Deputy Director General for Sectoral TVET)

Encl: as stated



**Report on
LABOR CODE IRR REVIEW
BOOK TWO**

*56th TESDA Board Meeting, TB Room
July 27, 2007*

***There is an on-going review of the Labor
Code and its IRR by a DOLE Review
Council...***

Administrative Order No. 223 Series of 2006
Creation of a Code Review Council (CRC) and Five
Technical Study Groups (TSG)

- To harmonize and effectuate a comprehensive review of the Labor Code and its Implementing Rules and Regulations

Functions of the Review Council:

- To oversee and review the work of the TSG
- To oversee the policy implications and administrative concerns of the work of the Council and TSG
- To oversee the constitutional, legal, statutory and operational implications of the recommendations of the TSG

Objectives

The Technical Study Groups (TSGs) aim to:

- study, discuss & recommend amendments and/or revisions to their respective areas of study;
- elicit views, comments and positions statements from affected sectors and stakeholders;
- consider proposed congressional initiatives or technical studies or researches as they affect their tasks of amending or revising the Labor Code's IRR;
- call on any agency or office within the DOLE for technical assistance
- prepare a report to the Council of their recommendations and the bases for such.

Study Areas

		<u>Chairs</u>
Book I	Pre Employment	POEA
Book II	National Manpower Development Program	TESDA
Book III	Conditions of Employment	BWC
Book IV	Health Safety and Welfare Benefits	OSHC
Book V, VI, VII	Labor Relations, Post-Termination and Final Provisions	BLR

TESDA is part of the exercise...

- TESDA Order No. 90 Series of 2007
 - Creates the Technical Working Group on the Preparation of TESDA inputs to the on-going Labor Code IRR Review
- TESDA calls for its Executive Committee to undergo further work on the proposed provision in the Labor Code
- Recommendations on the proposed review will be subjected to TESDA Board's information and confirmation.

***TESDA's earlier position conveyed to
DOLE ...***

The TESDA Law IRR or any of its parts should not be subjected to scrutiny of the on-going Labor Code Review Process.

***Why the ongoing Labor Code review does
not make it imperative to open up the
TESDA Law or any of its parts for review***

Scope and Jurisdiction

- **There is no provision in RA 7796 defining TESDA to be under administrative and technical supervision of DOLE**

Why the ongoing Labor Code review does not make it imperative to open up the TESDA Law or any of its parts for review

Repeal

- No cogent reason for RA 7796 or its IRR to be part of the Labor Code review

Why the ongoing Labor Code review does not make it imperative to open up the TESDA Law or any of its parts for review

Proposal to Review the IRR of PD 442

- There is no sufficient legal basis to include IRR of RA 7796 to the review
- TESDA Board promulgates IRR

Why the ongoing Labor Code review does not make it imperative to open up the TESDA Law or any of its parts for review

Apprenticeship/Learnership

- Section 4 (n) of RA 7796 stipulated that learnership must be approved by TESDA

Why the ongoing Labor Code review does not make it imperative to open up the TESDA Law or any of its parts for review

Other provisions not covered by RA 7796

- Title II, Chapter 3 (Handicapped Workers) is not covered by TESDA Law, but covered by Magna Carta for Disabled Persons (RA 7277 24 March 1992).
- PD 442 and its IRR provisions on labor standards **may** use/utilize **competency certification** as a means for the determination of wages, hiring and promotion of employees

General Policies/Inputs to Labor Code Review

1. Enterprise-based Training

- All training programs involving enterprises such as apprenticeship, DTS, DTP and OJT shall be integrated into a comprehensive enterprise-based training program

General Policies/Inputs to Labor Code Review

2. Replenishment Cost

- Fees shall be exacted for every deployed OFWs and shall be borne by the employer
- This shall establish a TRAINING Fund to be used solely for replacing the manpower lost due to overseas employment.

General Policies/Inputs to Labor Code Review

3. Special Education Fund for TVET

- TVET shall be included in the coverage of the special education fund (Sec. 31 of 7796 on devolution), in order to enhance and strengthen LGUs' participation in the skills development in the local area and for the purposive integration of HRD in the local development funds.

General Policies/Inputs to Labor Code Review

4. Procedural Integration (Sec. 23 of RA 7796)

- In order to integrate the national skills development efforts, **all** TESD schemes in the government and private sector including OWWA training for OFWs shall be coordinated with TESDA which shall assess and evaluate such programs to ensure efficiency and effectiveness

General Policies/Inputs to Labor Code Review

5. Endowment for Skills Competition

- To promote quality skills development in the country and with the view of participating in the national and international skills competitions, the Skills Olympics **shall be privatized**
- In support of the private sector, TESDA shall provide an annual endowment fund (Sec. 30 of 7796)

General Policies/Inputs to Labor Code Review

6. Mechanism for Highly Technical Skills

- To promote industry-led TESD, most especially the highly technical skills, TESDA shall develop an incentive scheme to assist any employer or organization engaged in enterprise-based training schemes (Sec. 27 of 7796)

General Policies/Inputs to Labor Code Review

7. Assessment and Certification

- Assessment and certification are systems developed to ensure quality TVET graduates and workers.
- Certification of workers shall encouraged the use as basis for Hiring, Promotion and Wage structure of companies

General Policies/Inputs to Labor Code Review

8. Local Government Colleges and Universities

TESDA shall become a member of the Board of Local Government Colleges in order to ensure coordination and integration of skills development in the local areas.

We intend...

to seek clarification from the DOLE Labor Code IRR Review Council whether the

--TESDA Law and its IRR will be considered as **integral parts of the Labor Code**

--or will they form part of the **Labor Code appendices?...**

Does the TESDA Board share these observations and the intention of the Secretariat?

THANK YOU VERY MUCH!