

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SEVENTEENTH CONGRESS

First Regular Session

HOUSE BILL NO. 2740



INTRODUCED BY REPRESENTATIVE **PETER M. UNABIA**

EXPLANATORY NOTE

The severe lack of employment opportunities in our country has compelled our people to find ways and means to gain practical experience on a particular job. Knowing fully well how important it is for a prospective job applicant to have job experience of the situation by engaging the services of a trainee or apprentice, which in most cases, without providing monetary benefits.

Ironically, many trainees or apprentices even end up paying for the service training they have rendered in exchange for a Certificate of Training. The most common victims are our poor nurse desiring to work abroad, who pay hospitals, including government hospitals, instead of being paid for their services.

This bill therefore seeks to put a quietus to this exploitative practice by institutionalizing the granting of training allowance or stipend to our poor trainees or apprentices. While we recognize the fact that there are still good employers, who provide training benefits even without legal mandate, several employers take advantages of the needs of our prospective job applicants by availing of their services for free or worse, charge them a training fee.

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


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AN ACT

INSTITUTIONALIZING THE GRANTING OF MONTHLY ALLOWANCE TO TRAINEES OR APPRENTICES IN THE PUBLIC AND PRIVATE SECTORS AND PROVIDING PENALTIES FOR ANY VIOLATION THEREOF

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 “*Training allowance Institutionalization Act of 2013.*”

SECTION 2. *Declaration of Policy.* – It is hereby declared the policy of the State to recognize the necessity of deploying trainees or apprentices in the public and private workplaces prior to their absorption in the regular workforce. Toward this end, the rights and welfare of the trainees or apprentices must be protected by the government by creating a working environment free from the exploitative practices of the prospective employers.

SECTION 3. *Definition of Terms.*– As used in this Act, the following terms shall mean:

- a) Training Allowance refers to the fixed and regular allowance or stipend to be paid to trainees or apprentices either on a monthly or weekly basis for services rendered for the duration of the training or apprenticeship program;
- b) Trainee refers to any person, including apprentice or on-job trainee, who is undergoing training to acquire the necessary theoretical or practical experience in the workplace.

SECTION 4. *Training Allowance.* – It is obligatory on the part of any employer both in the public and private establishments, which engages the services of a trainee or apprentice to pay a training allowance equivalent to the prescribed minimum wage in a particular area.

SECTION 5. Contract of Training. – No employer shall engage the services of a trainee or apprentice unless a Contract of Training containing therein the specific job and work station, training allowance or stipend, which in no case shall be lower than the minimum wage in a particular area, and the period of training, which in no case shall be more than six (6) months, otherwise the trainee or apprentice shall be automatically hired as a regular employee or officer.

SECTION 6. Rules and Regulations. – The Department of Labor and employment (DOLE) shall issue the necessary rules and regulations to implement the provisions of this Act.

SECTION 7. Penalty. – A penalty of imprisonment for six (6) months or a fine of not exceeding One Hundred Thousand Pesos (P100,000.00) or both at the discretion of the court shall be imposed upon any person found guilty of violating this Act.

If the offender is a corporation or government agency, the penalty or fine or both at the discretion of the court shall be imposed upon the head of the Human Resource Development or its equivalent office, which supervises the training.

SECTION 8. Repealing Clause. – All laws, decrees, executive orders, rules and regulations which are inconsistent with the provision of this Act are hereby repealed, amended or modified accordingly.

SECTION 9. Effectivity Clause. – This Act shall take effect fifteen (15) days after its publication in any newspaper of general circulation

Approved,