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Congress of the Philippines

Metro Manila

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Third Regular Session

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[ REPUBLIC ACT NO. 10869 ]

AN ACT INSTITUTIONALIZING THE NATIONWIDE IMPLEMENTATION OF THE JOBSTART PHILIPPINES PROGRAM AND PROVIDING 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 “JobStart Philippines Act”.

SEC. 2. *Declaration of Policy.* – It is the policy of the State to promote full employment, equality of employment opportunities for all, and afford full protection to labor. The Philippines subscribes to the International Labor Organization’s (ILO) Decent Work Agenda. As a signatory to ILO Convention 88, the State shall promote the establishment of Public Employment Service Office (PESO) as the primary institution at the local level that will be responsible for implementing a

variety of active labor market programs including job search assistance, training, and placement for the unemployed, particularly the young jobseekers.

SEC. 3. *Statement of Objectives.* – The JobStart Philippines Program aims to shorten the youth's school to work transition by enhancing the knowledge and skills acquired in formal education or technical training by jobseekers in order for them to become more responsive to the demands of the labor market. With the participation of the private sector and other stakeholders, the program will also help develop the life skills of the youth, including those relevant to the values of professionalism and work appreciation, and provide trainees with a conducive and safe work environment or venue where they can apply relevant theories and code of ethics. Another objective of the program is to further improve the delivery of employment facilitation services of the PESOs.

SEC. 4. *Definition of Terms.* – For purposes of this Act, the following terms are hereby defined as follows:

(a) *Employer* refers to an establishment or an enterprise which may be a company, sole proprietorship, partnership, corporation, or any other legal entity registered under relevant laws that may provide a venue for training and placement of JobStart trainees;

(b) *Internship stipend* refers to the amount which the JobStart trainee receives from the participating employer for the duration of the internship period;

(c) *JobStart* refers to the Department of Labor and Employment's (DOLE) program designed to enhance the employability of at-risk youth to improve their integration into productive employment through the provision of full cycle employment facilitation services including job search assistance, free technical and life skills trainings, placement in internships, and job referral from the PESOs;

(d) *JobStart graduate* refers to a JobStart trainee who has completed all the program services and undergone all stages of the JobStart program;

(e) *JobStart internship* refers to the practical learning of a JobStart trainee in a regular work environment with a participating employer for a period of up to three (3) months, as determined by the latter;

(f) *JobStart life skills training* refers to a ten (10)-day training designed to holistically develop the behavior, attitude, and values of JobStart trainees, which as a result will enable them to plan better their career path and deal effectively with the demands and challenges of everyday life and work;

(g) *JobStart technical training* refers to the technology-based theoretical instruction for a period of up to three (3) months in a lecture area, and hands-on exercises in a laboratory or a workshop within the premises of a technical training provider, either in a technical vocational institute (TVI) registered with the Technical Education and Skills Development Authority (TESDA), in-house in a participating employer, or within the available facilities of local government units (LGUs);

(h) *JobStart trainee* refers to an eligible JobStart registrant selected to participate in the program;

(i) *JobStart unit* refers to the office established and managed by the Bureau of Local Employment (BLE) and regional offices of the DOLE, and the participating PESOs to implement and oversee the JobStart program;

(j) *Technical training certificate* refers to a certification that shall be jointly issued by the DOLE, the TESDA, and the participating employer after program completion and assessment of the JobStart trainee's competencies to attest the skills acquired by the JobStart trainee. The certificate shall contain a list of the units of competency and qualification acquired;

(k) *Training allowance* refers to the amount which the JobStart trainee receives from the JobStart unit for the duration of the life skills and technical training; and

(l) *Training plan* refers to a written plan that specifies the set of skills and competencies to be acquired by the JobStart trainee from technical training to internship period. The training plan will describe the training curriculum or

modules to be used, the training schedule, venue, facilities, cost, as well as the training's monitoring and evaluation framework. The training plan shall be prepared by the employer and approved by the JobStart unit with technical advice from the TESDA.

SEC. 5. *Qualifications of a JobStart Trainee.* – To qualify as a JobStart trainee, a person shall:

(a) Be a Filipino citizen;

(b) Be eighteen (18) to twenty-four (24) years of age at the time of the registration period. Those who are seventeen (17) years old may also register provided that they will be eighteen (18) years old at the time of the technical training;

(c) Have at least reached high school level;

(d) Not be employed, studying, or undergoing training at the time of the registration; and

(e) Have no work experience or have less than one (1) year of accumulated work experience.

SEC. 6. *Program Components.* – The JobStart Program shall include full employment facilitation services such as registration, client assessment, life skills training with one-on-one career coaching, technical training, job matching, and referrals to employers either for further technical training, internship, or for decent employment.

SEC. 7. *Status of JobStart Trainees.* – The JobStart registrant shall be considered as a trainee and not as an employee of the participating employer for the duration of the training program. JobStart graduates shall be given preference in the hiring of workers by the participating employers. After life skills training, the PESO shall assess and determine whether the JobStart trainee is ready to be referred for decent employment or would require further training.

SEC. 8. *Role of the JobStart Unit.* – The DOLE shall establish a JobStart unit at the BLE and in every DOLE regional office. The JobStart unit shall provide the employer the training costs, administrative costs, or other fees, if any,

as specified under a memorandum of agreement between the DOLE and the employer. It shall also approve training plans in coordination with the appropriate PESOs and with technical advice from the TESDA.

SEC. 9. *The Role of the DOLE.* – The DOLE shall be the executing agency of the JobStart Philippines Program. The BLE shall serve as the program manager that shall provide the necessary technical and administrative assistance to concerned regional and field offices, and PESOs. The DOLE regional and field offices shall supervise and monitor the implementation of the JobStart activities in their respective jurisdiction. The DOLE shall conduct capacity-building activities to train the PESOs in adopting the new model on employment facilitation services, particularly on career coaching and life skills.

SEC. 10. *Payment of Allowances and Stipends.* – The trainees shall receive a daily training allowance from the JobStart unit beginning from the life skills training stage to the technical training stage. The amount of the training allowance shall be determined by the DOLE.

Upon entry into the internship stage, the participating employer shall provide the JobStart trainees with a daily stipend of not less than seventy-five percent (75%) of the prevailing minimum wage in the city or municipality where the establishment is located. The amount of the stipend shall be based on the trainee's actual attendance. Absences, tardiness or undertime incurred shall be deducted therefrom in accordance with the training plan.

Training allowances and stipends shall be paid at least once every two (2) weeks or twice a month at intervals not exceeding sixteen (16) days.

SEC. 11. *JobStart Training Period.* – The JobStart training period shall be divided into three (3) phases, namely:

(a) JobStart Life Skills Training:

(1) The life skills training shall be conducted by the PESOs with technical assistance from the DOLE for a period

of ten (10) days, with at least one life skill being taught in each day of the program.

(2) The JobStart life skills training modules shall be developed by the DOLE in consultation with the DepEd, CHED, TESDA and other stakeholders.

(3) The JobStart trainee shall receive a daily allowance for the duration of the life skills training to be provided by the PESOs with funding support from the DOLE.

(b) JobStart Technical Training:

(1) The JobStart technical training shall be for a period of up to three (3) months. Upon the recommendation of the participating employer and as approved by the PESO, a JobStart trainee can skip or be exempted from undergoing the technical training and transition directly to internship stage. The technical training period may also be less than three (3) months depending on the skills and competencies that the JobStart trainee must achieve and as determined by the participating employer.

(2) The JobStart trainee shall receive a training allowance from the JobStart unit for the duration of the technical training.

(3) The JobStart technical training shall allow the trainee to acquire a qualification or a set of competencies aligned with the appropriate TESDA training regulations, as applicable, and be qualified to get a National Certificate (NC) or Certificate of Competency (COC). The TESDA shall set the mechanisms and guidelines for the evaluation of competencies not covered by existing training regulations.

(c) JobStart Internship:

(1) The JobStart internship period shall not be more than three (3) months or six hundred (600) hours. The total daily training hours shall be eight (8) hours exclusive of not less than sixty (60) minutes time off for the regular meals.

(2) The internship period may be beyond eight (8) hours a day: *Provided*, That said overtime shall not exceed two (2) hours a day. The JobStart trainee shall be paid for the

overtime stay an additional stipend equivalent to the daily internship stipend plus at least twenty-five percent (25%) thereof.

(3) In case of night shift training, the JobStart trainee shall be entitled to a night shift differential pay of not less than ten percent (10%) of the internship stipend for each hour of training between ten o'clock in the evening and six o'clock in the morning.

(4) A JobStart trainee may be trained during regular holidays: *Provided*, That the trainee is willing to and will be compensated twice the daily internship stipend on a regular holiday.

(5) The time spent on overtime stay shall be duly credited to the trainee's number of training hours.

(6) A JobStart trainee shall no longer be required to undergo a probationary period at the end of the internship phase should the trainee be hired in the same establishment upon completion of the program: *Provided*, That said trainee also completed his or her technical training within the training plan prepared by the same participating employer.

SEC. 12. *Entitlement to Other Benefits and Incentives.*

– Notwithstanding the LGU or participating employer's preference to provide additional or other health services or insurance support, the JobStart trainees shall be covered with a basic accident insurance for the duration of the program to be paid by the DOLE. The participating employer shall be reimbursed by the DOLE and disbursed through the PESO with the cost of the JobStart trainee's pre-training and employment medical examinations. On the other hand, the LGU shall exempt the JobStart trainees from securing a work permit.

SEC. 13. *Duties and Responsibilities of the JobStart Trainee.* – The JobStart trainee shall exert every effort to acquire the abilities, values, and knowledge necessary to achieve the purpose of the training. Towards this end, the trainee shall:

(a) Submit to the PESO the following documents:

(1) NSO birth certificate or any government issued identification card with the applicant's birth date;

(2) High school and college diploma, if applicable;

(3) Transcript of records of highest educational level attained; and

(4) Training certificates or a national certification issued by the TESDA, if applicable.

(b) Enter into either a training or service contract with the participating employer;

(c) Report for training or work in the establishment based on the schedule indicated in the training or work contract;

(d) Perform tasks and activities indicated in the training plan;

(e) Use tools, instruments, machines and other equipment with due care;

(f) Not reveal any business or trade secrets that have come to the trainee's knowledge in the course of the training;

(g) Adhere to the existing rules and regulations of the establishment; and

(h) Report to the PESO for an exit interview after the completion of the internship period.

SEC. 14. *Participation of Employers.* – An employer shall be allowed to take in JobStart trainees only up to a maximum of twenty percent (20%) of its total workforce. The employer shall not take in the same trainee to be part of the former's engagement in a similar training program such as the Dual Training Program and the National Apprenticeship Program.

The participating employers must have the following:

(a) Legitimate business operating within the LGU's area;



(b) COC on General Labor Standards and Occupational Safety and Health (OSH) Standards;

(c) Capacity to provide, in case of an in-house arrangement, or facilitate, in case of a third-party training provider, a technical vocational education and training (TVET) to JobStart trainees, and to arrange for the disbursement of the internship stipend;

(d) Capacity to provide for up to three (3) months internship or work experience to JobStart trainees, with a commitment to pay at least seventy-five percent (75%) of the daily minimum wage for the relevant city or municipality;

(e) Capacity to develop a training plan to be learned and applied by the trainee in the establishment;

(f) Capacity to mentor and monitor a JobStart trainee's performance; and

(g) Interest and willingness to absorb or offer possible regular employment to JobStart graduates.

SEC. 15. *Duties and Responsibilities of Employers.* – The participating employer shall perform the following:

(a) Design and implement the training plan in partnership with a TVET institution, as applicable;

(b) Enter into either a training or work contract with the JobStart trainee;

(c) Provide to the JobStart trainee practical training or work experience for a maximum period of three (3) months or six hundred (600) hours;

(d) Pay the JobStart trainee a daily stipend of not less than seventy-five percent (75%) of the daily minimum wage of the city or municipality where the establishment is located;

(e) Encourage the JobStart trainee to develop personality and professionalism and to the extent possible, protect the JobStart trainee from physical or moral danger;

(f) Submit monitoring and evaluation reports or other information on the trainee's performance as may be required by the DOLE or the PESO;

(g) Submit invoices to the PESO for reimbursement or liquidation of expenses, as the case may be, of training costs, internship stipend and other administrative costs; and

(h) Notify the PESO and the JobStart unit of a trainee's breach of contract or misconduct in the training premises prior to its decision to suspend or terminate the training.

SEC. 16. *Termination of Training Contract.* – Any of the following shall be a valid cause to terminate the training contract:

(a) By the employer:

(1) Habitual absenteeism of the trainee;

(2) Willful disobedience by the trainee of the establishment's rules, or insubordination of a lawful order of a superior;

(3) Theft or malicious destruction of the establishment's property or equipment by the trainee;

(4) Engaging in violence or other forms of misconduct in the training or establishment's premises by the trainee; and

(5) Inefficiency or poor training performance for a prolonged period despite warnings duly given to the trainee.

(b) By the JobStart trainee:

(1) Substandard or harmful working conditions within the establishment's premises;

(2) Cruel and inhumane treatment; and

(3) Prolonged or continuing illness.

Either party may furnish the other party a notice of intent to terminate the training contract for cause as defined in this section.

In case the training contract has been terminated, replacement of a JobStart trainee in an establishment shall be allowed subject to the cause of termination. In case the termination is caused by the employer, the JobStart trainee may still be referred to other participating employers. In case the termination is caused by the trainee's non-adherence to program guidelines, a new trainee may still be provided to the employer provided that there are other trainees available for deployment.

*SEC. 17. Grievance Committee.* – The Grievance Committee shall have the initial responsibility of settling differences in case of any violation of the training agreement or upon the filing of a complaint by an aggrieved party. The Grievance Committee shall be composed of the officials and representatives of the concerned DOLE regional and field offices, and PESOs which have jurisdiction over concerned establishments. The Committee shall investigate and render a decision pursuant to pertinent rules and regulations. In case of failure by the Grievance Committee to settle the issue or render a decision, or in case the complaint is against members of the Grievance Committee, the case shall be referred to the DOLE-BLE for appropriate action.

*SEC.18. Payment of Administrative Fee.* – Participating employers shall receive an amount per month per JobStart trainee to cover administration cost in managing the trainee, such amount to be determined by the DOLE.

*SEC. 19. Partnership with Local Government.* – The LGUs, through the PESOs, shall serve as the conduit of the DOLE in implementing the program at the local level. The PESOs are expected to:

- (a) Hire adequate staff to ensure the smooth implementation of the program;
- (b) Organize the registration process for the program intake of registrants;
- (c) Process and evaluate information of registrants and select eligible program beneficiaries;
- (d) Conduct job matching and referral;

(e) Collect and review relevant financial and administrative documents and reports as necessary for the processing of the training grants to the JobStart trainees, as well as the administrative fee provided to the employer;

(f) Maintain a complete profile and record of transactions of program participants and employers; and

(g) Submit a monthly program monitoring report to the DOLE, copy furnished the concerned DOLE regional and field offices, and the office of the local chief executive.

SEC. 20. *Enhancement of Labor Market Information System (LMIS)*. – To develop local LMIS, participating PESOs shall make use of the DOLE's Skills Registry System (SRS) to manage the records of JobStart trainees, employers, and PESO transactions. The PESO staff shall be trained in the use of the SRS and job matching.

The DOLE regional and field offices and the BLE shall establish the necessary information technology infrastructure and system to improve the collection, processing, analysis, report development, and dissemination of PESO statistics and other labor market information. Towards this end, labor market analysts shall be hired by the DOLE and the BLE to provide technical assistance in maintaining the LMIS at all levels.

SEC. 21. *Oversight Committee*. – An Oversight Committee shall oversee the implementation of the JobStart Program. The Committee shall be chaired by the DOLE. The Committee shall be composed of representatives from the Department of the Interior and Local Government (DILG), Department of Social Welfare and Development (DSWD), National Youth Commission (NYC); TESDA, and representatives from the youth, employer, and labor sectors. An annual progress report shall be transmitted to both Houses of Congress through the Secretary of Labor and Employment.

SEC. 22. *Appropriations*. – To carry out the provisions of this Act, such amount as may be necessary is hereby authorized to be appropriated from the National Treasury. Thereafter, such sums as may be necessary for the continued implementation of this Act shall be included in the General

Appropriations Act as a separate item under the DOLE's budget.

Sec. 23. *Penalty Clause.* – Any violation of the provisions of this Act or its implementing rules and regulations shall be subject to the general penalty provided for in the Labor Code, as amended.

Employers found offering unregistered JobStart programs shall be subjected to program closure proceedings without prejudice to the filing of administrative, criminal or civil liabilities.

The DOLE Secretary may file the necessary civil and/or criminal cases as may be deemed reasonable and appropriate pursuant to this Act for any of the following causes:

(a) Fraud or deceit committed in connection with the employer's participation in the JobStart program; and

(b) Failure to comply with the conditions or obligations prescribed under this Act or its implementing rules and regulations.

SEC. 24. *Implementing Rules and Regulations.* – Within ninety (90) days from the effectivity of this Act, the Secretary of Labor and Employment, in coordination with concerned agencies, shall formulate the necessary rules and regulations to implement the provisions of this Act.

SEC. 25. *Separability Clause.* – If any provision of this Act is held invalid or unconstitutional, the same shall not affect the validity and effectivity of the other provisions hereof.

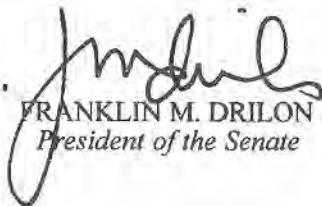
SEC. 26. *Repealing Clause.* – All laws, decrees, executive orders, and rules and regulations contrary to or inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SEC. 27. *Effectivity.* – This Act shall take effect fifteen (15) days from the date of its publication in the *Official Gazette* or in at least two (2) newspapers of general circulation.

Approved,



FELICIANO BELMONTE JR.  
*Speaker of the House  
of Representatives*



FRANKLIN M. DRILON  
*President of the Senate*

This Act was passed by the Senate of the Philippines as Senate Bill No. 3091 on February 1, 2016 and adopted by the House of Representatives as an amendment to House Bill No. 6415 on May 23, 2016.



MARILYN B. BARUA YAP  
*Secretary General  
House of Representatives*



OSCAR G. YABES  
*Secretary of the Senate*

Approved: JUN 29 2016



BENIGNO S. AQUINO III  
*President of the Philippines*



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