

**TWENTIETH CONGRESS OF THE  
REPUBLIC OF THE PHILIPPINES**  
*First Regular Session*

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25 JUL 10 P2:03

**SENATE**

RECEIVED BY: \_\_\_\_\_

**S.B. No. 361**

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**Introduced by SENATOR WIN GATCHALIAN**

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**AN ACT**  
**ENSURING THAT SENIOR HIGH SCHOOL GRADUATES UNDER THE K TO 12 PROGRAM ARE EQUIPPED WITH THE KNOWLEDGE, TRAINING, AND SKILLS DEMANDED IN THE LABOR MARKET, ENHANCING THEIR EMPLOYABILITY AND COMPETITIVENESS, CREATING THE BATANG MAGALING COUNCILS TO STRENGTHEN MULTI-STAKEHOLDER COLLABORATION AND SUPPORT FOR THEIR EMPLOYMENT, ALLOWING DEDUCTION OF TRAINING EXPENSES INCURRED FOR THEIR SKILLS DEVELOPMENT, AND APPROPRIATING FUNDS THEREFOR**

**EXPLANATORY NOTE**

Ang isang K to 12 graduate ay Batang Magaling – as the K to 12 education reform under Republic Act No. 10533 was designed to produce globally competitive graduates by equipping them with knowledge, training, and skills to join the workforce. The thirteen years in Kindergarten and basic education, which include two years of Senior High School (SHS)<sup>1</sup>, are intended to provide sufficient time for mastery of concepts and skills to prepare graduates for the curriculum exit of their choice: higher education, middle-level skills development, employment, or entrepreneurship. The additional two years of specialization were

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<sup>1</sup> The newly strengthened SHS Program currently offers two tracks: Academics and Technical-Vocational-Livelihood.

designed to allow learners to have job specific skills without a tertiary degree, make K to 12 SHS graduates employable to enter the workforce, become economically productive, and make higher levels of education now an option.

In 2018 – the same year when the first batch of SHS graduates finished the mandatory 12 years of basic education – a survey on hiring preferences conducted by Jobstreet.com, wherein 503 company representatives participated, revealed that: 41% were indefinite about hiring SHS graduates; 35% were not willing to hire; and only 24% said that they were willing to hire.<sup>2</sup> 36% of those who were not willing to hire SHS graduates reasoned that the available jobs were only for college graduates, 25% believed that SHS graduates were not qualified, 20% said that there were no openings for any position, and the remaining 16% stated that SHS graduates lack work experience. Meanwhile, small and medium enterprises (SMEs) were among those which were most reluctant to hire SHS graduates as these businesses have only 10 to 20 workers, hence, they would rather not take the risk in terms of recruitment.<sup>3</sup>

Following the Jobstreet survey report, the President of the Philippine Chamber of Commerce and Industry's Human Resources Development Foundation Inc. (PCCI HRDF), Alberto Fenix, in April 2018, stated that, "[a]t the moment, we really have no confidence that they (SHS graduates) do have it". They quantified that the hesitation may be due to the absence of necessary skills and training those industries need but not yet provided by the current SHS program. The SHS students' "on-the-job training" requires a minimum of 80

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<sup>2</sup> Orbeta, A., Lagarto, M., Kristina, M., Ortiz, P., Aisa, D., & Potestad, M. (2018). Senior High School and the Labor Market: Perspectives of Grade 12 Students and Human Resource Officers, Discussion Paper Series No. 2018-49. [https://pidswebs.pids.gov.ph/CDN/PUBLICATIONS/pidsdps1849\\_rev.pdf](https://pidswebs.pids.gov.ph/CDN/PUBLICATIONS/pidsdps1849_rev.pdf) citing Fresh graduate hiring shows shifts in demand and preferences [Infographic]. (2018, April 27). JobStreet Philippines. <https://www.jobstreet.com.ph/career-resources/fresh-graduate-hiring-shows-shifts-demand-preferences/>

<sup>3</sup> *Ibid.*

hours or two weeks, which Mr. Fenix said were not enough for these students “to learn the rigors of the industry they want to get into”.<sup>4</sup>

It is worthy to note that the unemployment rate of individuals whose highest grade completed was SHS, has increased significantly from 1.8% in 2018 to 8.2% in 2022<sup>5,6</sup>, to 10.3% as of the first quarter of 2025<sup>7</sup>. According to a study conducted by the Philippine Institute for Development Studies (PIDS), compared to their ASEAN neighbors, the Filipino youth (15 to 24 years old) have historically had the lowest rates of labor participation. In recent years, more than 70% of Vietnamese youth are in the labor force while only less than 60% of their counterparts in the Philippines are in the labor force. PIDS added that there is a need to re-examine the employment and entrepreneurial objectives of the SHS program and the work preparation component in the SHS curriculum due to the following reasons: (1) most of the SHS graduates continue with their education rather than enter the labor market; and (2) there is no clear advantage nor disadvantage of SHS graduates compared to grade 10 and second-year college completers.<sup>10</sup>

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<sup>4</sup> Yee, J. (April 7, 2018). SPECIAL REPORT: Jobs a hit or miss for senior high school graduates. INQUIRER.net. <https://newsinfo.inquirer.net/980738/special-report-jobs-a-hit-or-miss-for-senior-high-school-graduates>

<sup>5</sup> PSA Preliminary Results of the 2019 Annual Estimates of Labor Force Survey (LFS), December 20, 2019. See <https://psa.gov.ph/statistics/survey/labor-and-employment/labor-force-survey/title/Preliminary%20Results%20of%20the%202019%20Annual%20Estimates%20of%20Labor%20Force%20Survey%20%28LFS%29> **Note:** PSA defines unemployed as one without work; and currently available for work; and seeking work or not seeking work due to the following reasons: i. belief that no work is available, or ii. awaiting results of previous job application, or iii. because of temporary illness or disability, or iv. bad weather, or v. waiting for rehire or job recall.

<sup>6</sup> <https://psa.gov.ph/statistics/survey/labor-and-employment/labor-force-survey/title/Employment%20Rate%20in%20April%202022%20is%20Estimated%20at%2094.3%20Percent> (last accessed on June 27, 2022)

<sup>7</sup> PSA Preliminary Results of the April 2025 Labor Force Survey (LFS). June 6, 2025. See <https://psa.gov.ph/statistics/labor-force-survey/latest-press-release>

<sup>10</sup> Orbeta, A. & Potestad, M. (2020). On the Employability of the Senior High School Graduates: Evidence from the Labor Force Survey, Discussion Paper Series No. 2020-40. chrome-extension://oemmnndcblbdoiebfnladdacbfmadadm/<https://pidswebs.pids.gov.ph/CDN/PUBLICATIONS/pidsdps2040.pdf>

This legislation seeks to address the issue by ensuring that K to 12 SHS graduates are equipped with knowledge, training, and skills demanded in the labor market, regardless of their chosen curriculum exit, through the following proposals:

1. strengthen the linkages and collaboration among the Department of Education, the local government units through the provincial, municipal and city local school boards (LSBs), the academic communities, and industry partners by creating the Batang Magaling National and Local Councils, and mandating regular consultations to establish a mechanism for active collaboration and meaningful communication;
2. involve the industry partners, LSBs, and other stakeholders in the crafting of the Work Immersion Programs (WIPs) of all education institutions offering the SHS Program;
3. develop national and local Batang Magaling Roadmaps in the provinces, cities, and municipalities that shall introduce interventions and set measurable goals on enhancing the employability and competitiveness of K to 12 SHS graduates, among others;
4. mandate the conduct of labor market demand studies every three (3) years which shall serve as basis for the work components of the SHS Program, the Batang Magaling Roadmaps, the WIPs, the trainings to be conducted, the resources to be procured, and the skills to be developed among the learners;
5. develop, maintain and update a centralized nationwide database of skills information to serve as one-stop shop for all matters related to the employment of K to 12 SHS graduates; and
6. promote the affirmative hiring of K to 12 SHS graduates, both in the public and private sectors.

Finally, industry partners that incur training expenses for the skills development of SHS learners participating in the WIP shall be allowed the additional item of deduction from their taxable income under the National Internal Revenue Code of 1997, as amended.

It is my fervent hope that this legislation will contribute in fulfilling the aspirations of an education reform as critical as the K to 12 Law, and I earnestly seek the support of this Congress for its immediate passage.



**WIN GATCHALIAN**

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*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 “*Batang Magaling*  
2 *Act*”.

3  
4       Sec. 2. *Declaration of Policy.* – It is the policy of the State to establish,  
5 maintain, and support a complete, adequate, and integrated system of  
6 education relevant to the needs of the people and society.

7       This Act likewise reiterates a declared State policy that every graduate  
8 of basic education shall be an empowered individual who has learned,  
9 through a program that is rooted on sound educational principles and geared

1 towards excellence, the foundations for learning throughout life, the  
2 competence to engage in work and be productive, the ability to coexist in  
3 fruitful harmony with local and global communities, the capability to engage  
4 in autonomous, creative, and critical thinking, and the capacity and  
5 willingness to transform others and one's self.

6  
7       Sec. 3. *Objective.* – This Act shall ensure that the Philippine basic  
8 education system, as enhanced under Republic Act (R.A.) No. 10533 or the  
9 “Enhanced Basic Education Act of 2013”, will produce Senior High School  
10 (SHS) graduates who are equipped with knowledge, training, and skills  
11 demanded in the labor market, whether they have chosen the higher  
12 education, middle-level skills development, employment, or entrepreneurship  
13 exit, thereby enhancing their employability and competitiveness in the  
14 workforce.

15  
16       Sec. 4. *Creation of the Batang Magaling National and Local Councils;*  
17 *Strengthening Multi-Stakeholder Linkages and Collaboration; The Batang*  
18 *Magaling Roadmap.* – To align the tracks of the K to 12 Basic Education  
19 Curriculum under R.A. No. 10533 with the needs of the labor market, a  
20 National Batang Magaling Council (National Council) shall be created  
21 composed of the Department of Education (DepEd), the Technical Education  
22 and Skills Development Authority (TESDA), the Department of Labor and  
23 Employment (DOLE), three (3) national industry partners, one (1) national  
24 labor group, and the Union of Local Authorities of the Philippines.

25       Local Batang Magaling Councils (Local Councils) shall likewise be  
26 formed at the provincial, city and municipal levels to ensure that SHS  
27 graduates are equipped with education, training and skills demanded by  
28 industry partners and government agencies. The Local Councils shall be  
29 composed of the provincial, city or municipal local school boards (LSBs), the  
30 Public Employment Service Office (PESO), at least two (2) industry partners



1 in the locality, a representative of the TESDA provincial office, and a local  
2 employee organization or association.

3 Every education institution offering the SHS Program shall regularly  
4 consult with the Local Council at least twice a year to be guided by the actions  
5 of the Council especially the roadmap in paragraph e hereunder. The Council  
6 shall serve as a mechanism for active collaboration and meaningful  
7 communication for the fulfillment of the following purposes:

- 8 a. provision of information to the education institutions for the  
9 updating and alignment of the curricular offerings and the work  
10 immersion component of the SHS Program with the market needs as  
11 identified by industry partners and government agencies;
- 12 b. increase in the awareness and commitment of industry partners and  
13 government agencies to accept learners in Work Immersion  
14 Programs (WIPs), ensure that their deployment is done according to  
15 their tracks or specialization courses, and enable them to acquire  
16 specialized skills and competencies to advance in their chosen path;
- 17 c. enabling the LSBs to provide relevant data and information to the  
18 stakeholders, increase their awareness of their mutual issues and  
19 concerns on the employability of SHS graduates in the locality,  
20 discuss and analyze the duties and risks involved in WIPs, and give  
21 local incentives to recognize best practices on collaboration;
- 22 d. crafting of the WIPs of education institutions offering the SHS  
23 Program within a province, city, or municipality and ensuring that  
24 the curriculum is aligned with industry needs, learners meet the  
25 minimum requirements of the work immersion industry partners  
26 and government agencies, and learners develop competencies and  
27 acquire skills that are industry-based to improve their work  
28 readiness and employability; and
- 29 e. development of local Batang Magaling Roadmaps, to be evaluated  
30 and updated every three years, at the provincial, city, and municipal  
31 levels that shall introduce interventions and set measurable goals

1 on enhancing the employability, competitiveness, and productivity  
2 of SHS graduates, including but not limited to an increase or  
3 improvement in the following: the number of industry partners and  
4 government agencies participating in the WIPs; the number of SHS  
5 learners deployed under the WIPs according to their tracks or  
6 specialization courses; and the rate of employment of SHS graduates  
7 in jobs aligned to their skills. As such, the local roadmap shall  
8 include the skills demanded by industry partners in the locality vis-  
9 à-vis the needed knowledge, training, and skills of SHS graduates to  
10 match the said demand, using the labor market demand forecast  
11 under Sec. 6, and the skills database under Sec. 7 hereof.

12 Taking into consideration the local roadmaps developed at the  
13 provincial, city, and municipal levels, the National Council shall craft  
14 a parallel National Batang Magaling Roadmap to achieve the  
15 objective under Sec. 3 of this Act. The provincial Local Councils shall  
16 similarly craft their respective Provincial Batang Magaling  
17 Roadmaps based on the Municipal and Component Cities Batang  
18 Magaling Roadmaps, while the city Local Councils shall base their  
19 respective City Batang Magaling Roadmaps on the WIPs within the  
20 locality under their jurisdiction.

21  
22 Sec. 5. *Work Immersion Programs.* – The WIPs that are mandated to be  
23 offered by education institutions offering the SHS Program shall develop in  
24 learners the competencies, skills, work ethic, and values relevant to pursuing  
25 further education or joining the world of work.

26 The WIP shall be based on the Batang Magaling Roadmap and designed  
27 to match the needs of the learners and the capabilities of the education  
28 institutions vis-à-vis the demands of the work immersion industry partners.

29 The Schools Division Offices of the DepEd shall approve the WIP as  
30 proposed in these provinces, cities, or municipalities, in accordance with  
31 DepEd policies and issuances, and with due compliance to legal and



1 administrative prescriptions on the number of hours and delivery models,  
2 among others.

3  
4 *Sec. 6. Labor Market Demand Forecasting.* – To align the WIP with  
5 market demand and ensure that the knowledge, training, and skills of SHS  
6 graduates match the in-demand and projected in-demand jobs of industry  
7 partners in the locality, the Councils are hereby mandated to conduct labor  
8 market demand studies every three (3) years, using quarterly local labor  
9 market data collected by the PESO.

10 The data derived from such demand forecast shall serve as basis for the  
11 work immersion component of the SHS Program, the Batang Magaling  
12 Roadmaps, the WIPs, the trainings to be conducted, the resources to be  
13 procured, and the skills to be developed among the learners, among others.  
14 The demand forecast will also allow education institutions to focus on  
15 employable skills as determined by medium- to long- term labor market  
16 demand.

17  
18 *Sec. 7. Batang Magaling Database; Centralized Skills Database in*  
19 *Collaboration with DOLE.* – The DepEd, in collaboration with the DOLE, shall  
20 develop, maintain and update a centralized nationwide database of skills  
21 information to serve as one-stop shop for all matters related to the  
22 employment of SHS graduates.

23 The Batang Magaling Database shall help strengthen the education  
24 institutions' linkages and collaboration with industry partners, facilitating the  
25 meeting of skills demand within the province, city, municipality, and the  
26 country as a whole.

27 The Batang Magaling database shall register the demographic profile of  
28 learners including, but not limited to, their educational background, track  
29 completed in SHS, training, skills, competencies, work immersion  
30 performance, course taken after SHS, work experience, and employment

1 history. It shall also contain the profiles, demands, and vacancies, among  
2 others, of industry partners.

3  
4       Sec. 8. *Affirmative Hiring of SHS Graduates; Industry Partners; Civil*  
5 *Service Commission.* – The DOLE, in coordination with the DepEd, shall  
6 conduct studies and research for the crafting of strategies and guidelines to  
7 minimize the impediments to SHS employment, and promote the affirmative  
8 hiring of SHS graduates.

9       The industry partners are enjoined to rethink and review their hiring  
10 policies and job requirements to provide employment opportunities, such as  
11 entry-level positions, to SHS graduates.

12       The Civil Service Commission (CSC) is hereby mandated to review the  
13 qualification requirements for government employment and revise its policies  
14 to integrate the qualifications of SHS graduates in the CSC qualification  
15 standards (QS) to provide employment opportunities to SHS graduates. Such  
16 QS may include, among others, education, experience, training, and  
17 eligibility.

18  
19       Sec. 9. *Quality Assurance by the TESDA of the SHS Program of the*  
20 *DepEd; National Competency Assessments; National Certificates.* – The DepEd  
21 shall comply with the quality assurance framework set by the TESDA and  
22 ensure that the SHS Program offerings meet the necessary criteria for  
23 TESDA's Training Regulations program registration.

24       The DepEd, in coordination with the TESDA, shall provide, free of  
25 charge, the national competency assessments to DepEd SHS Program  
26 learners upon their graduation. SHS graduates who pass such assessments  
27 shall be awarded the appropriate National Certificates which shall serve as  
28 formal recognition of their skills and competencies in accordance with the  
29 standards set by the TESDA.

1       Sec. 10. *Joint Delivery Voucher Program for Senior High School Technical-*  
2 *Vocational-Livelihood Specializations (JDVP-TVL).* – The JDVP-TVL, a program  
3 designed by the DepEd to allow SHS learners enrolled in public schools to  
4 avail of vouchers and take their desired TVL specializations in eligible partner  
5 institutions from private SHSs, non-DepEd public SHSs, or TESDA-  
6 accredited private Technical Vocational Institutes, shall be utilized to enable  
7 such learners to receive instruction and training and complete their needed  
8 TVL skills and competencies.

9       The rules and regulations to be issued pursuant to Sec. 14 of this Act  
10 shall prescribe the guidelines for the implementation of the JDVP-TVL in  
11 cases where the specialization desired by the learner is not offered by the  
12 public education institution where he or she is enrolled.

13  
14       Sec. 11. *Deductible Training Expenses from Taxable Income; Additional*  
15 *Item of Deduction.* – Industry partners that incur training expenses for the  
16 skills development of SHS learners participating in the WIP shall be allowed  
17 the additional item of deduction from their taxable income under Sec. 34 (A)  
18 (1) (a) (v) of R.A. No. 8424 or the National Internal Revenue Code of 1997, as  
19 amended by R.A. No. 11534 or “CREATE”.

20       The Bureau of Internal Revenue, in collaboration with the DepEd, shall  
21 issue the appropriate rules for availing this incentive, including simplified  
22 processes and streamlined requirements for compliance and reporting.

23  
24       Sec. 12. *Mandatory Review and Impact Assessment.* – The DepEd, in  
25 collaboration with the National Council, shall conduct a mandatory review of  
26 the implementation of this Act and submit an assessment report to Congress  
27 on its impact and effectiveness, not later than two (2) years from its effectivity  
28 and every two (2) years thereafter.

29  
30       Sec. 13. *Appropriations.* – The amount necessary for the initial  
31 implementation of this Act shall be charged against the current year’s

1 appropriations of the departments and other agencies concerned. Thereafter,  
2 the amount necessary for its continued implementation shall be included in  
3 the annual General Appropriations Act.

4 The funding requirements needed for the implementation of this Act by  
5 local government units may be charged against their local funds.

6  
7 Sec. 14. *Implementing Rules and Regulations (IRR)*. – Within ninety (90)  
8 days from the effectivity of this Act, the DepEd, CSC, DOLE, TESDA, and  
9 other public and private stakeholders, including industry partners, shall  
10 issue the rules and regulations implementing its provisions. The IRR issued  
11 pursuant to this section shall take effect thirty (30) days after its publication  
12 in a newspaper of general circulation.

13  
14 Sec. 15. *Separability Clause*. – If any provision of this Act is held invalid  
15 or unconstitutional, the other provisions not so declared shall remain in force  
16 and effect.

17  
18 Sec. 16. *Repealing Clause*. – All laws, executive orders, presidential  
19 decrees, administrative orders, rules and regulations, issuances, or parts  
20 thereof contrary to or inconsistent with the provisions of this Act are hereby  
21 repealed or amended accordingly.

22  
23 Sec. 17. *Effectivity*. – Notwithstanding the non-issuance of the IRR, this  
24 Act shall take effect fifteen (15) days after its publication in the Official Gazette  
25 or in a newspaper of general circulation.

*Approved,*