

Republic of the Philippines
House of Representatives
Quezon City, Metro Manila

NINETEENTH CONGRESS
First Regular Session

House Bill No. **1637**



INTRODUCED BY REP. PM VARGAS

AN ACT
PROVIDING FOR A NATIONAL FRAMEWORK FOR INTERNS' RIGHTS
AND WELFARE

EXPLANATORY NOTE

The development of companies and organizations rely on the hard work that employees and staff bring forth. With internship programs, companies and organizations expand opportunities for development as a two-way process: it provides interns relevant training experience, while also contributing to the needs of host companies and organizations.

Earning relevant work experience is crucial to anyone aspiring to enter the labor force. It is thus imperative for the country to prepare and protect these interns and the service they provide through just compensation.

It is for the public interest to provide a conducive environment for interns to grow and become the competent leaders of tomorrow. Recognizing the economic contribution of interns, the Interns' Rights and Welfare Bill seeks to protect the rights of interns by providing measures that will safeguard their welfare especially from exploitative practices, during the duration of their internships.

In view of the foregoing, the immediate passage of this bill is earnestly sought.


REP. PM VARGAS
Fifth District, Quezon City

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AN ACT
PROVIDING FOR A NATIONAL FRAMEWORK FOR INTERNS' RIGHTS
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Be it enacted by the Senate and the House of Representatives of the Philippines in Congress assembled:

SECTION 1. Short Title. - This Act shall be known as the '*Interns' Rights and Welfare Act*'.

SECTION 2. Declaration of Principles. - The State recognizes its vital responsibility to enable the youth to fulfill its vital role and responsibility in nation building. It is the government principle of this Act that the youth be accorded opportunities for growth and employment.

Towards this end, the goals and objectives of this Act are to:

1. Maintain quality training and education through enhanced internship programs with optimized capacity-building for all technical, vocational and professional fields of study;
2. Consistently monitor the NGAs/implementing bodies, higher education institutions (HEIs), host training establishments (HTEs) in guiding the interns and assessing their performances during the internship, with strong grievance mechanism to protect the integrity of each institution and promote transparency among all;
3. Recognize the interns as part of the labor force, therefore in their chosen workplaces they should receive fair treatment and just compensation;
4. Strengthen the rights of the interns to avoid any form of abuse or violation from the implementing bodies; and
5. Ensure the safety and welfare of the interns throughout the internship.

SECTION 3. *Definition of Terms.* - For the purposes of this Act, the following definitions shall apply:

- a. *Internship* refers to a period of work experience for a limited amount of time taken up by students and graduates looking to gain relevant skills and experience in a particular field. It is the practical application of classroom learning to an actual regular work environment. It is also synonymous to practicum, field practice, or On-The-Job Training. It is not synonymous to apprenticeship and learnership.
- b. *Intern* refers to a student or graduate undergoing an internship at a Host Training Establishment (HTE) as partial fulfillment of their academic requirements as prescribed by their respective Higher Education Institutions (HEIs), Certified Training Institutions (CTIs), or as a requisite for board examinations.
- c. *Internship Contract* refers to a formal agreement concurred by all the parties which shall be accompanied with the agreed upon Internship Plan.
- d. *Internship Plan* refers to the outlined goals and objectives, knowledge, skills and competencies that the student intern should acquire in each training area. This will include a schedule of activities and assignments along with a clear set of duties to be fulfilled by the intern, and this Internship Plan will be formulated and approved by both the HEI, CTI, and HTE.
- e. *Higher Education Institution (HEI)* refers to public and private schools and universities that require students to undergo internships as part of their official curriculum.
- f. *Certified Training Institutions (CTI)* refers to certificate issuing and TESDA accredited training institutions that require students to undergo internships as part of their official curriculum.
- g. *Local universities and colleges (LUCs)* refer to CHED-accredited public HEIs established by local government units (LGUs) through an enabling ordinance, financially supported by the LGU concerned, and compliant with the policies, standards and guidelines of the CHED;
- h. *State universities and colleges (SUCs)* refers to public HEIs established by national government and are governed by their respective independent boards of trustees or regents; and

- i. *Host Training Establishment (HTE)* refers to a duly authorized and registered entity, institution, or establishment in the Philippines by the Security Exchange Commission (SEC) or the Department of Trade and Industry (DTI) and with established systems of training.

SECTION 4. *Rights of Interns.* - Interns shall enjoy, on an equal and non-discriminatory basis, all rights guaranteed by the Constitution as well as those recognized under the EO no. 139, s. 1993, CMO no. 104, s. 2017, and all other relevant international and regional human rights conventions and declarations.

As such, interns have the right to:

1. Have the freedom to select their own HTEs;
2. Reasonable work hours;
3. Protected leaves (personal leave, medical leave, leave for internship-related illness and injury);
4. Just compensation for hours of services rendered;
5. Receive allowances for travel, food, and any other expenses that may be agreed upon by the HTE and intern;
6. Acquire medical, dental and mental health services;
7. Access basic services in their chosen workplaces;
8. Access information of fees and performance records from HEIs, CTIs and HTEs;
9. Opt-out in paying miscellaneous fees upon enrollment of internship;
10. Be protected against discriminatory practices based on sexual orientation, gender identity and expression, age, ethnicity, religion, and disability;
11. Be protected against sexual harassment and other derogatory or exploitative activities at any point during their internship;
12. Be informed of clearly outlined duties during the internship; and
13. Due process prior to termination with HTE for any committed violation or insufficient requirements with HEIs or CTIs in the entire internship.

SECTION 5. *Guidelines on Internship Programs.* – The following shall be the guidelines for the implementation of internship programs:

1. Government Internship Programs
 - a. All government agencies and instrumentalities, including government-owned-and-controlled corporations are hereby obliged to create a Government Internship Program for their respective offices.

- b. The Government Internship Program shall prescribe standard Internship Plans for applying interns to ensure that their duties are confined to official tasks only.

2. Industry-Based Internships

- a. TEs, HEIs, and CTIs shall, in conjunction, develop an Internship Plan outlining the scope and limitations of the interns' duties for the duration of the internship. Interns shall not be obligated to do work outside of this internship plan.
- b. HTEs shall provide interns with compensation for hours of service rendered.

3. School and Internship Fees

- a. HEIs and CTIs shall not charge interns with school fees that is beyond the administrative cost corresponding with units of the internship subject.
- b. Interns shall have the opt-out option in paying miscellaneous fees especially if their internship is conducted outside of the HEIs' premises.
- c. In an event of extension of the internship program, no additional extension fee shall be collected either by the HEI/CTI or the HTE.
- d. HTEs shall not be allowed to charge fees from their interns, with the exception of fees that are directly related to conducted training sessions and affiliation fees for health-allied internship programs. *Provided*, that the affiliation fees to be collected shall comprise no more than 1% of the tuition fee of the internship subject.
- e. Collection of all internship-related fees shall be centralized in the HEIs in order to avoid redundant payments or exploitative practices.
- f. All information regarding the school fees collected by the HEI and internship fees collected by the HTE shall be accessible to the public and the students if and when they request for it. The composition of the fees collected shall be indicated to promote transparency.

4. Additional Guidelines

- a. HTEs, HEIs, and CTIs shall create an Internship Contract that will be an official and binding document stating the duties and responsibilities of all parties, the duties prescribed in the internship plans, and the agreed upon remuneration agreements between the HTE and the intern.
- b. HEIs and CTIs shall not constrain their student interns to apply to a specific office, establishment, or training institution. The interns shall be allowed to undertake an internship in any office, establishment, or training institution as long as the said establishments comply with the requirements for HTEs.
- c. HTEs shall conduct trainings, seminars, and other developmental interventions for the interns including, but not limited to: mentoring, coaching, and performance evaluation.
- d. Social protection shall be provided to the interns and are encouraged for consideration by the institutions such as accident insurance, as they may be applicable.
- e. Interns that contracted and illness and/or injury during their internship or as a result of it shall be excused during the duration of their illness and/or injury. HEIs, CTIs, and HTEs shall jointly claim responsibility for the intern.
- f. Interns in the health-allied professions and other highly technical fields shall be given the necessary materials, equipment, and safety gears necessary to carry out their tasks. These shall be given at no cost to the interns.
- g. Interns shall be given at least 96 hours of advance notice of their internship schedule.
- h. HEIs and CTIs shall assist their student-interns in meeting their health requirements as prescribed by the HTEs, through HEI and CTI funded vaccination or check-up programs.
- i. Interns are not required and cannot be obliged to report to their HTEs after the prescribed number of internship hours are completed.

- j. In cases where the internship contract is abruptly terminated, the hours of services rendered by the intern based on the daily time record shall be credited as hours completed for the internship program.
- k. Students who applied in internship programs abroad shall be provided with assistance from the relevant government agencies before and during the duration of their internship programs, if and when necessary. HEIs and CTIs where these student interns are enrolled are obliged to strictly monitor the status of their students' welfare during the duration of the internship to ensure that standard protections for interns are upheld. Student interns should not be required to pay for the flight, food, accommodation and other expenses of the HEI's faculty or staff, should the HEI or CTI require a chaperon abroad.

SECTION 6. *Mechanics of Internships.* – The following process must be followed in the hiring of interns:

1. Qualifications of Interns

Applicants to internship programs shall:

- a. be currently enrolled in a TESDA certificate course or a tertiary-level internship subject
- b. be between 18 to 30 years old from the start of the internship period

2. Duration

a. Government Internship Programs

The duration of the Government Internship Program shall not exceed 300 hours and not last for more than 6 months.

b. Industry-Based Internships

Internship programs that are not highly technical in nature shall be allowed to have a maximum of twenty-four (24) units of internship subjects for the duration of their baccalaureate; *Provided*, that one (1) unit of internship subject correspond to one (1) hour of internship/laboratory/practicum/OJT work per week. *Provided further*, that the internship period should not exceed twelve (12) months.

Highly technical internship programs conducted by HTEs that may need additional hours of training, like those in the fields of health, engineering, and architecture, shall be allowed to have a maximum of thirty (30) units of internship subjects for the duration of their baccalaureate; *Provided*, that one (1) unit of internship subject correspond to two (2) hours of internship/laboratory/practicum/OJT work per week. *Provided further*, that the internship period should not exceed twelve (12) months.

Interns shall have an 8-hour rest period between their internship shifts. In addition, they are only obliged to work during work days and within office hours. If interns are tasked to work on weekends of holidays or hours beyond the normal operating hours of the establishment, they should be subjected to special or additional remuneration.

In the event of tardiness and absences, whether excused or unexcused, make-up hours shall only be equivalent to the number of internship hours missed. HEIs and HTEs shall not accept and expect payment from students to offset their tardiness and/or absences.

HEIs shall have the jurisdiction on how the maximum allotted number of units shall be distributed in their respective curricula. Only the curricula with internship/laboratory/practicum/OJT credits shall be allowed to have required internship programs. HEIs with curricula that does not have internship/laboratory/practicum/OJT credits cannot require their students to undergo an internship program but could encourage their students to have internships on a voluntary basis.

3. Scope of Work

The Government Internship Program and industry-led workplace internships shall cover all technical, vocational, and professional fields of study and shall cater to all students from CHED and TESDA recognized universities or degree and certificate awarding institutions.

The purpose of the internship is for the intern to learn and gain practical experience in their choice of employment. As such, interns are hired for official purposes only and are prohibited from taking tasks that go beyond official duties.

4. Termination of Contract

Any of the following, in respect to the Labor Code of the Philippines, shall be a valid cause to terminate the internship contract with due

process, where notice should be given, both oral and written for proper documentation:

By the institution:

- a. Habitual absenteeism of the intern;
- b. Willful disobedience by the intern of the institution's rules, or persistent insubordination of the lawful orders of a supervisor;
- c. Theft or malicious destruction of the institution's property by the intern;
- d. Engaging in violence and/or other forms of misconduct during the internship and/or inside the institution's premises by the intern; and
- e. Persistent poor performance for a prolonged period despite warning duly given to the intern.

By the intern:

- a. Substandard and/or harmful working conditions within the institution's premises;
- b. Violation of any or all of the guidelines prescribed in Section 5 of this Act;
- c. Harassment by any and all members of the institution whether it occurred in or outside of the premises of the HTE;
- d. Cruel and inhumane treatment; and
- e. Prolonged or continuing illness of the intern.

SECTION 7. *Internship Contract and Plan.* - The HEIs and CTIs, together with the HTEs, shall draft and produce an Internship Contract that will be used by their student-interns. The HEIs and CTIs shall ensure that these documents are legally binding to ensure the protection of the interns' interest and well-being and assist the students in the process of notarizing the said document. The contract shall properly indicate the educational objectives of the internship, the rights and obligations of all the parties, the duration of the internship, and the agreed upon remuneration.

The Internship Contract shall be accompanied with an Internship Plan drafted and approved together with the selected HTEs to ensure that the internship program adheres to the quality of learning that is expected from the contract. The Internship Plan shall include the following: identification of skills to be acquired, job scope and specifications, guidelines on the supervision and mentoring of the interns, monitoring of the interns' progress, timeline of the internship and the respective performance indicators to be achieved, among others.

SECTION 8. *Remuneration.* - Interns who are subscribed to the Government Internship Program shall be provided with a stipend accounting to seventy-five (75%) of the existing salary rate of Step 1, Salary Grade 1 of the current

government salary standardization law and shall be non-taxable. The amount of the stipend shall be based on the intern's actual attendance, absences and/or tardiness incurred. It shall be paid in accordance with existing labor laws and civil service laws, rules, and regulations.

Interns in private HTEs shall be provided with a stipend accounting to 75% of the existing minimum wage in their respective regions and shall be non-taxable.

SECTION 9. *Grievance Mechanism.* – A grievance committee shall be created in participating government agencies and their instrumentalities as well as the HTEs and CTIs that have internship programs. They have the initial responsibility for settling differences in case of any violation or transgression of the internship contract or upon the filing of a complaint by an aggrieved party.

The grievance committee shall be composed of a representative from the Head Office of the HEI, CTI, and HTE, the Human Resource Office of the HEI, CTI, HTE and/or government agency, the Student Government of the HEI, CTI, and the legal office of the HEI, CTI, and HTE.

The committee shall render a decision after affording the concerned parties due process of law. In case of failure by the grievance committee to settle the issue, render a decision, or in case the complaint is against the grievance committee or any of its members, the case shall be referred to the National Task Force.

SECTION 10. *Reportorial Requirements.* – All HEIs, CTIs, HTEs, government agencies and its instrumentalities that have established internship programs shall submit an annual report to the Task Force assessing the program. The report shall review and assess the implementation of their program, suggest improvements if there are any, include a database of all past and present interns, and monitor the faithfulness of the internship plan versus its actual implementation, among other things.

SECTION 11. *Responsibilities of HEIs, CTIs, and HTEs.* - Higher Education Institutions and Certified Training Institutions with internship courses must have an official government recognition for private Higher Education Institutions, a Board Resolution for State Universities, and a Local Government Ordinance for local universities.

Their responsibilities in relation to their student-interns include:

1. Assuming full responsibility over students;
2. Creating and notarizing an Internship Contract with selected HTEs to safeguard the interest and well-being of the interns;
3. Ensure that the students' interest is well-represented during the drafting of the Internship Contract;

4. Formulating local school internship policies (regarding selection, placement, monitoring, and assessment);
5. Prepare a roster of accredited HTEs with internship programs for student-interns to choose from;
6. Facilitate the entry of interns to their HTEs of choice;
7. Developing an Internship Plan specifying objectives and scope in collaboration with the HTEs;
8. Ensuring intern will acquire the relevant competencies in each learning area through the drafting of relevant internship plans to be a part of the contract signed by the intern, the HEI or CTI, and the HTE;
9. Providing free medical and dental services and certification by medical doctor and dentist to interns;
10. Providing appropriate insurance coverage, including travel and medical, to interns within the duration of the internship;
11. Conducting pre-internship orientation as prerequisite to deployment. Orientation should be on work environment issues (such as work ethics and laws against sexual harassment);
12. Taking appropriate action on complaints against student intern;
13. Conducting inspection of the HTE to ensure safety;
14. Monitoring performance of intern together with HTE;
15. Ensuring that the intern's basic needs are met at the HTE (such as food, water, access to clean restrooms, etc.) in coordination with HTE, CHED, TESDA, etc.;
16. Conducting post-training evaluations of the program;
17. Evaluating related prior training experience and provide credits for internship;
18. Issuing a final grade to the intern upon completion of requirements, in accordance with assessment of HTE, and;
19. Submitting relevant documents to CHED and TESDA (i.e. annual report per SY on implementation of program, copy of notarized internship agreement, list of partner HTEs, and interns certified by school officials to have completed internship).

Host Training Establishments that will receive and train interns must be authorized by the appropriate government entities and are capable of providing appropriate internship programs. These establishments must also have the capacity to provide technical training and to mentor interns applying to them.

Their responsibilities in relation to their student-interns include:

1. Implementing the agreed-upon Internship Contract and Internship Plan in coordination with the HEI and CTI;

2. Assigning a point person for implementation of all internship phases;
3. Orienting intern on rules of the establishment before the signing of the contract;
4. Entering into a legal contract with the intern;
5. Providing work experience in accordance with plan;
6. Providing basic allowances, such as for travel or food;
7. Providing the necessary equipment, materials, and safety gears needed by the interns in order to perform their tasks and duties at no cost to the interns;
8. Provide readily accessible wash rooms, showers, changing rooms, resting rooms or lounges, particularly for interns who will be on duty for extended periods of time, particularly during night shifts;
9. Ensuring interns do not perform tasks of regular position in HTEs;
10. Developing feedback mechanism with the intern;
11. Developing feedback mechanism with the HEI and CTI on implementation and student performance;
12. Providing evaluation reports on intern's performance;
13. Notifying at least 30 working days prior written notice to HEI or CTI of intern's breach of contract, and;
14. Issuing certificate of completion for interns not later than 2 weeks after completion.

SECTION 12. *Implementation Structure.* – An Interns' Rights and Welfare Task Force shall be formed and be composed of the following:

- a. The Department of Labor and Employment (DOLE) Undersecretary for Regional Operations and Special Concerns cluster as the Chairperson;
- b. The Commission on Higher Education (CHED) Chair as Co-Chairperson;
- c. Senior officials (at least Assistant Secretary Level) of the Technical Education and Skills Development Authority (TESDA), Department of Trade and Industry (DTI), and Civil Service Commission (CSC) as ex-officio members;
- d. Five representatives of University Student Councils and Student Associations from various fields of study, provided that there are representatives from Medical and Allied Health Professions, Hospitality and Restaurant Management, and Tourism fields.

At the National level, the Task Force members shall have the following

duties and functions in accordance to their mandates and in relation to the implementation of this Act:

1. The DOLE shall:

- a. Strictly monitor and ensure compliance of the HTEs in the implementation of this Act;
- b. Prepare and publish quarterly and annual report of internship program accomplishments, including issues and challenges, and provide further, analysis and recommendation on the improvement of program implementation; and
- c. Maintain updated list of HTEs in coordination with government agencies;
- d. Decide on cases involving interns with their assigned HTEs.

2. The CHED and TESDA shall:

- a. Conduct orientation to HEIs and CTIs regarding the proper guidelines regarding internship programs and check the legality of any and all contracts between HTEs, HEIs, CTIs, and the interns;
- b. Ensure the safety of interns;
- c. Establish linkages between government agencies and their instrumentalities and HTEs for the successful implementation of internship programs;
- d. Ensure that all HEIs, CTIs, and partner HTEs comply with the guidelines for the protection of interns; and
- e. Provide feedback mechanisms to HEIs, CTIs, and HTEs.

3. The DTI shall:

- a. Ensure that all the partner HTEs of the HEIs and the CTIs are officially accredited business with proper safety and occupational health standards and
- b. Formulate a possible incentive scheme for HTEs to encourage them to take more interns.

4. The CSC shall:

- a. Ensure that grievance committees are properly established in government agencies and their instrumentalities.

SECTION 13. *Liabilities and Sanctions.* – The following liabilities and sanctions shall apply in cases of breach of the internship contract:

a. HEIs and CTIs:

1. Written reprimand, with warning that repeated violations may result in downgrading of government recognition;

2. Downgrading of government recognition to permit status or grant of Autonomous to Deregulated status, Center of Excellence to Center of Development status;
 3. Revoke program recognition; and
 4. Filing of administrative and criminal case as appropriate.
- b. HTE
1. Written reprimand with warning that a repeat of a violation shall result to the blacklisting of HTE. Provided, that the agreed upon compensation and credited hours of the intern shall still be followed upon the basis of the hours of service rendered by the latter.
 2. Filing of administrative and criminal case as appropriate.
- c. Intern
1. Subject to sanctions in accordance with HEI's and CTI's rules and regulations.

SECTION 14. Appropriations. - All concerned government agencies shall include in their annual budgets the necessary funds that will be contributory to the implementation of this Act.

Further, at least one percent (1%) shall be appropriated under the maintenance and Other Operating Expenses (MOOE) of the agencies for the implementation of the GIP in their respective jurisdictions and shall be included in the General Appropriations Act.

SECTION 15. Separability Clause. - If for any reason, any part or provision of this Act shall be held unconstitutional or invalid, other parts of provisions thereof not affected thereby shall continue to be in full force and effect.

SECTION 16. Repealing Clause. - All laws, decrees, executive orders, proclamations, rules and regulations, and other issuances or part or parts thereof contrary to or inconsistent with this Act are hereby repealed or modified accordingly.

SECTION 17. Effectivity. - This Act shall take fifteen (15) days after its publication in at least two (2) newspapers of general circulation.

Approved,