

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SEVENTEENTH CONGRESS
First Regular Session

House Bill No. 987

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Introduced by Rep. LAWRENCE LEMUEL H. FORTUN

EXPLANATORY NOTE


Article II, Section 9 of the 1987 Constitution declares that, "The State shall promote a just and dynamic social order that will ensure the prosperity and independence of the nation and free the people from poverty through policies that provide adequate social services, promote full employment, a rising standard of living, and an improved quality of life for all." Furthermore, Article II, Section 18 states that, "The State affirms labor as a primary social economic force. It shall protect the rights of workers and promote their welfare."

This Bill seeks the protection and empowerment of workers in the informal economy. In the 2008 Informal Sector Survey (2008 ISS) of the Philippines conducted by the National Statistics Office with the assistance of the United Nations Economic and Social Commission for the Asia and the Pacific, there were about 10.5 million informal sector operators. Informal sector operators were defined as are either self-employed without any paid employee or employer in own-family operated farm or business the self-employed numbered about 9.1 million while the employer numbered at 1.3 million. In the Employment Situation (July 2015) report and released last March 2016 by the Philippine Statistics Authority, of the totally employed, 26.1 % were self-employed without any paid employee, 3.4 % were employers in own family-operated farm or business, while the unpaid family workers made up of 8.1%.

In the Philippines, workers in the informal economy are commonplace. These workers seek employment on a short-term basis or temporary employment to alleviate their economic situation. In many instances, they likewise create a form of employment for themselves in order to survive. These workers typically do not have the social benefits or legal protections despite the fact they are very vulnerable to health risks, injury and other occupational hazards.

It is of paramount importance that the rights of every worker in the informal economy to decent working conditions, access to social benefits and other humane working environments be recognized, promoted and protected.

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


LAWRENCE LEMUEL H. FORTUN
1st District of Agusan del Norte

SEVENTEENTH CONGRESS

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House Bill No. 987

Introduced by Rep. LAWRENCE LEMUEL H. FORTUN

**AN ACT
PROVIDING FOR A MAGNA CARTA OF WORKERS IN INFORMAL ECONOMY
INSTITUTIONALIZING MECHANISMS FOR IMPLEMENTATION THEREOF
AND FOR OTHER PURPOSES**

1 **Section 1. Title.** - This Act shall be known as the “Magna Carta of Workers in the Informal
2 Economy.”
3

4 **SEC. 2. Declaration of Policy.** - It is hereby declared the policy of the State:
5

- 6 (a) To promote the total well-being of all workers in the informal economy, provided, that
7 focus will be on the poorest and most vulnerable of these workers;
8
9 (b) To ensure their human dignity, economic advancement and access to justice by providing
10 timely services, including social, political, economic and legal;
11
12 (c) To recognize, promote, protect, fulfill and ensure the civic and constitutional rights of
13 workers in the informal economy, including the rights to self-organization, just and
14 humane working conditions, access to social protection, security of workplaces; peaceful
15 concerted activities; represent their organizations, and participate in policy and decision-
16 making processes affecting their rights and benefits and towards the provision of a
17 comprehensive package or reforms, interventions, and services in accordance with their
18 articulated needs and interests;
19
20 (d) To recognize the roles, give proper value to the contributions of workers in the informal
21 economy and make them visible in the national and local statistics;
22
23 (e) To provide venues for dialogue and consultation with informal economy workers so that
24 their concerns and needs are effectively addressed by lasting and workable reforms in
25 enforcement of labor standards, advancement of labor relations;
26
27 (f) To develop and enhance their technical, special, entrepreneurial and other skills and
28 capabilities necessary towards their empowerment and enjoyment of benefits and
29 entitlement associated with the formal economy, and becoming more productive and self-
30 reliant citizens, thereby ensuring participation in mainstream economic activities based on
31 their own pace and self-determination;
32

- 33 (g) To progressively eliminate child labor through the creation of more quality jobs for
34 adults, effective enforcement of laws against child labor, elimination of gender-based
35 discrimination against girl child workers, improved access to universal education and
36 social protection, and elimination of cultural factors that directly or indirectly tolerate,
37 and even accept child labor;
38
- 39 (h) To promote gender equity and equality by protecting women workers in the informal
40 economy against gender-based discrimination, exploitation and abuse, advancing
41 women's social, economic, political, and reproductive rights, and improving their access
42 to social protection and participation in decision-making bodies and processes;
43
- 44 (i) To develop the local economy through maximization of the potential and contribution of
45 informal economy business activities and enterprises;
46
- 47 (j) To encourage and support workers in the informal economy to form self-help groups,
48 mutual benefit associations, unions, cooperatives, and other forms of self-organization for
49 their mutual aid, benefit, protection and for other legitimate purposes;
50
- 51 (k) To include the concerns of workers in the informal economy in the policies, plans,
52 programs, projects and activities of relevant national government agencies, government
53 financial institutions, and local government units;
54
- 55 (l) To advance the autonomy and empowerment of local government units and their
56 capability to be more responsive to the needs of the workers in informal economy among
57 their constituents;
58
- 59 (m) To protect vulnerable groups in the informal economy such as children, older persons,
60 differently-abled persons, indigenous peoples, and people living with HIV and AIDS
61 from discrimination, exploitation, abuse and harassment, as well as from performing work
62 hazardous to their occupational, physical, mental, emotional, reproductive and spiritual
63 health; and
64
- 65 (n) to integrate ethnicity as a factor in the formulation of programs and mechanisms to
66 promote and protect rights of workers in the informal economy.
67

68 **SEC. 3. Framework and Principles.** - Article II Section 9 of Philippine Constitution
69 declares that "The State shall promote a just and dynamic social order that will ensure the
70 prosperity and independence of the nation and free the people from poverty through policies that
71 provide adequate social services, promote full employment, a rising standard of living, and an
72 improved quality of life for all." Therefore, it is the State's responsibility to give the highest
73 priority to the enactment of measures that protect and enhance the rights of all people to human
74 dignity; reduce social, economic and political inequalities; lessen vulnerabilities to risks including
75 those brought about by environmental degradation and natural disasters, remove cultural
76 inequalities by redistributing wealth and political power for the common good; and to develop an
77 enabling environment conducive to responsible citizenship. Towards this end the government shall
78 pursue and implement a comprehensive, rights-based, participatory, sustainable and gender
79 responsive framework for workers in the informal economy that includes but not limited to:
80

- 81 (a) Policies and programs that will bring marginalized workers and economic units into
82 the economic and social mainstream; and spur entrepreneurial or growth-oriented

