

Republic of the Philippines  
HOUSE OF REPRESENTATIVES  
Quezon City

SEVENTEENTH CONGRESS  
First Regular Session

House Bill No. 987

HOUSE OF REPRESENTATIVES	
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Introduced by Rep. LAWRENCE LEMUEL H. FORTUN

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### 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  
1<sup>st</sup> District of Agusan del Norte

**SEVENTEENTH CONGRESS**

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House Bill No. 987

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Introduced by Rep. LAWRENCE LEMUEL H. FORTUN

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**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

