



12 January 2018

SENATOR JOEL VILLANUEVA

Chairperson
Committee on Labor, Employment and
Human Resources Development
Senate of the Philippines
Pasay City

Dear **Chairperson Villanueva**:

This refers to Senate Bill Nos. 309, 1135 and 1376 or “An Act Providing for the Magna Carta of Workers in Informal Economy, Institutionalizing Mechanisms for Implementation Thereof and For Other Purposes”.

The Department of Social Welfare and Development supports the bills and their intention to promote, protect and uphold the right of workers in the informal economy to decent work. We also believe that government must continue reforms started to eliminate the barriers for people’s participation in the formal economy, which includes bureaucratic red tape, corruption, and multiple regulatory activities. For purposes of enhancement, may we also share these comments and recommendations:

1. Consolidate the three (3) bills into one (1).
2. On Section 2 – Declaration of Policy: Should also include the “strengthening” of regular employment and ensuring that outsourcing and contracting arrangements are compliant with decent work standards.
3. On Section 5 – Definition of Terms:
 - a. Include a definition of “informal economy” incorporating, among others, these characteristics – lack of social protection and hazardous working conditions.
 - b. Item a (Basic Sectors): Change “differently-abled persons” to “persons with disabilities” in accordance with Republic Act No. 9442 or An Act Amending Republic Act No. 7277, Otherwise Known as the Magna Carta for Persons with Disabilities and For Other Purposes.
 - c. Item k (Social Protection): Adopt the official definition of the term under NEDA-SDC Cabinet Resolution No. 1, Series 2007 which is “Social protection constitutes policies and programs that seek to reduce poverty and vulnerability to risks and enhance the

social status and rights of the marginalized by promoting and protecting livelihood and employment, protecting against hazards and sudden loss of income, and improving people's capacity to manage risks".

4. On Section 7 – Registration: We wish to state that registration, for the purpose of the bill, should not be construed as a basis for the rights and entitlements which the law shall accord. Corollary to this, non-registration for whatever reason, should not deprive workers in the informal economy of their rights stated in the law.

Moreover, registration as worker in informal economy in the LGU must not be made as a prerequisite to work by any private enterprise or government, including the LGU.

5. On Section 8 – Annual Dues: We are registering our reservations on the payment of annual dues and registration fees by the informal workers. We believe that they should be accorded the corresponding rights even without these monetary requirements.

Following our comments on Sections 7 and 8, we believe that Chapter II of the bill should be revisited as to its purpose as it may be used counter to the intent of the bill.

6. On Section 34 – Sourcing and Adopting Development Initiatives, item b: The Self-Employment Assistance – Kaunlaran (SEA-K) Program was already replaced by the Sustainable Livelihood Program (SLP) as supported by two (2) DSWD-issued policies. We recommend that this change be reflected in the bill.
7. On Section 38 – Mandate and Functions of the Informal Economy Development Council (IEDC): The Department values the privacy and security of its stakeholders thus, would like to clarify up to what extent of the information gathered from the informal workers will be shared with the general public.

Further, under item j, we recommend that the communication plan also target the change in behavior or lifestyle of the intended stakeholders to prepare them to transition to formal economy.

8. On Section 53 – Allowable Employment of Workers of Minor Age: This provision should be governed by the Labor Code of the Philippines and Republic Act 9231 or "An Act Providing for the Elimination of the Worst Forms of Child Labor and Affording Special Protection for the Working Child, Amending for this Purpose RA 7610, as amended" including its Implementing Rules and Regulations (IRR). Said laws specified that:
 - a. No child 15 years of age but below 18 shall be allowed to work for more than 8 hours a day and in no case, beyond 40 hours a week. Further, same child shall not be allowed to work between 10 in the evening and 6 in the morning of the following day.

- b. Employers of these children should provide them with access to at least elementary or secondary education, including alternative learning systems.
- c. Employment of children in the worst forms of child labor in any public or private establishment is prohibited.

Thank you.

Very truly yours,



EMMANUEL A. LEYCO

Undersecretary and Officer-in-Charge