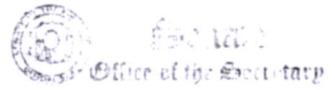


SEVENTEENTH CONGRESS OF THE
REPUBLIC OF THE PHILIPPINES)
Third Regular Session)



19 JAN 23 P 6:25

S E N A T E

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COMMITTEE REPORT NO. 572

Submitted by the Committees on Labor, Employment and Human Resources Development; Social Justice, Welfare and Rural Development; Ways and Means; and Finance on JAN 23 2019

Re: Senate Bill No. 2175

Recommending its approval in substitution of Senate Bill Nos. 309, 1135 and 1376.

Sponsor: Senator Joel Villanueva

MR. PRESIDENT:

The Committees on Labor, Employment and Human Resources Development; Social Justice, Welfare and Rural Development; Ways and Means; and Finance to which were referred Senate Bill No. 309, introduced by Senator Sonny Angara, entitled:

“AN ACT
PROVIDING FOR THE MAGNA CARTA OF WORKERS IN INFORMAL ECONOMY,
INSTITUTIONALIZING MECHANISMS FOR IMPLEMENTATION THEREOF AND
FOR OTHER PURPOSES”

Senate Bill No. 1135, introduced by Senators Grace Poe and Joel Villanueva, entitled:

“AN ACT
AN ACT PROVIDING FOR A MAGNA CARTA OF WORKERS, ENTERPRISES
AND ORGANIZATIONS IN THE INFORMAL ECONOMY, INSTITUTIONALIZING
MECHANISMS FOR IMPLEMENTATION THEREOF AND FOR OTHER
PURPOSES”

and Senate Bill No. 1376, introduced by Senator Joseph Victor G. Ejercito, entitled:

“AN ACT
AN ACT PROVIDING FOR A MAGNA CARTA OF WORKERS IN INFORMAL
ECONOMY, INSTITUTIONALIZING MECHANISM FOR IMPLEMENTATION
THEREOF AND FOR OTHER PURPOSES”

have considered the same and have the honor to report them back to the Senate
with the recommendation that the attached Senate Bill No. 2175, entitled:

AN ACT
PROVIDING FOR A MAGNA CARTA FOR WORKERS,
ENTERPRISES AND ORGANIZATIONS IN THE INFORMAL
ECONOMY AND PROVIDING MECHANISMS FOR
RECOGNITION, INTEGRATION, AND TRANSITION TO THE
FORMAL ECONOMY

be approved in substitution of Senate Bill Nos. 309, 1135, and 1376, with Senators
Sonny Angara, Grace Poe, Joel Villanueva, Joseph Victor G. Ejercito, Leila M. De
Lima, and Loren B. Legarda, , as authors thereof.

RESPECTFULLY SUBMITTED:



JOEL VILLANUEVA

Chairman, Committee on Labor,
Employment and Human Resources
Development; Member, Committee on
Finance



SONNY ANGARA

Chairman, Committee on Ways and Means;
Vice Chairman, Committee on Labor,
Employment and Human Resources
Development

LEILA M. DE LIMA

Chairperson, Committee on Social Justice,
Welfare and Rural Development



LOREN B. LEGARDA

Chairperson, Committee on Finance; Vice
Chairperson, Committee on Ways and
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Employment and Human Resources
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Vice Chairpersons:

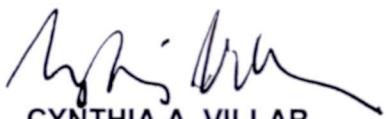


MARIA LOURDES NANCY S. BINAY

Vice Chairperson, Committee on Social
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ANTONIO "SONNY" F. TRILLANES IV

Vice Chairman, Committee on Social Justice,
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PANFILO M. LACSON

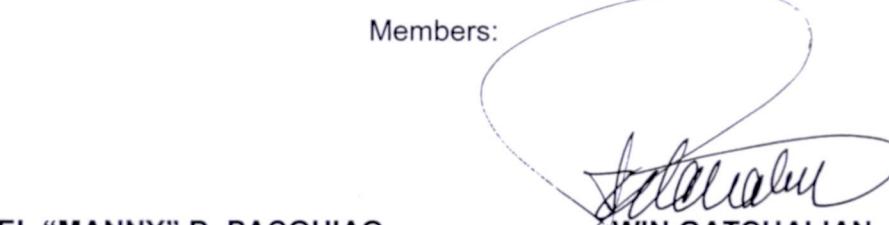
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Member, Committees on Labor, Employment
and Human Resources Development; and
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JOSEPH VICTOR G. EJERCITO

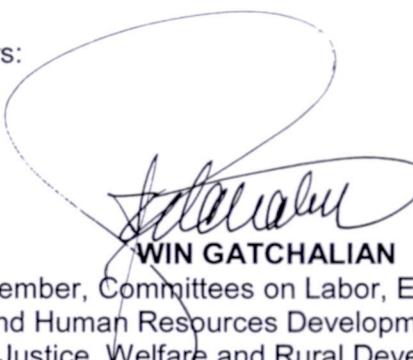
Vice Chairman, Committee on Finance;
Member, Committees on Labor, Employment
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Members:



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WIN GATCHALIAN

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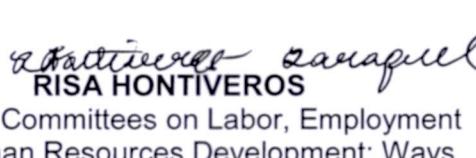
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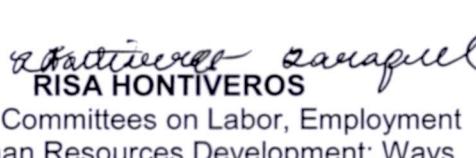
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and Finance



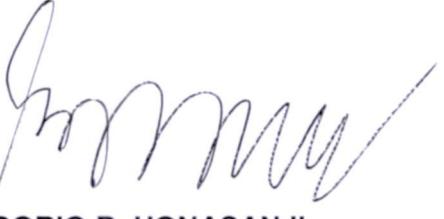
GRACE POE

Member, Committees on Ways and Means;
and Finance



FRANCIS "KIKO" PANGILINAN

Member, Committees on Ways and Means;
and Finance



GREGORIO B. HONASAN II
Member, Committee on Finance

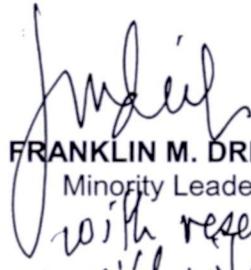
Ex Officio Members:



RALPH G. RECTO
Senate President Pro-Tempore



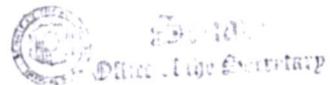
JUAN MIGUEL "MIGZ" F. ZUBIRI
Majority Leader



Franklin M. DRILON
Minority Leader
*with reservations;
will negotiate*

HON. VICENTE C. SOTTO III
Senate President

SEVENTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Third Regular Session)



19 JAN 23 P6:25

SENATE

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S. B. NO. 2175

Introduced by the Committees on Labor, Employment and Human Resources Development; Social Justice, Welfare and Rural Development; Ways and Means; and Finance with Senators Sonny Angara, Grace Poe, Joel Villanueva, Joseph Victor G. Ejercito, Leila M. De Lima, and Loren B. Legarda, as authors.

AN ACT
PROVIDING FOR A MAGNA CARTA FOR WORKERS, ENTERPRISES AND ORGANIZATIONS IN THE INFORMAL ECONOMY AND PROVIDING MECHANISMS FOR RECOGNITION, INTEGRATION, AND TRANSITION TO THE FORMAL ECONOMY

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

TITLE I
GENERAL PROVISIONS

Chapter I
GENERAL PRINCIPLES

1 SECTION 1. *Short Title.* This Act shall be known as the "**Magna**
2 **Carta for Workers in the Informal Economy.**"

1 **SEC. 2. *Declaration of Policy.*** It is hereby declared the policy of
2 the State to:

- 3 (a) Promote a just and dynamic social order that shall ensure the
4 prosperity and independence of the nation and free the people
5 from poverty through policies that provide adequate social
6 services, promote decent, environmentally sound and full
7 employment, a rising standard of living, and an improved quality
8 of life for all;
- 9 (b) Protect, promote and fulfill the rights of every worker, including
10 gender equity, non-discrimination, the right to self-organization,
11 just and humane conditions of work, access to social protection
12 programs and services, access to justice, security of and in the
13 workplaces, and the right to represent their organizations in a
14 continuing process of consultation, social dialogue and tripartite
15 bodies; and
- 16 (c) Establish an integrated and coherent policy, at all levels of
17 government, of formalization of informal economic units and
18 informal economy workers and make them visible in all relevant
19 national and local statistics.

20 **SEC. 3. *Coverage.*** This Act shall apply to all workers and
21 economic units, including enterprises, entrepreneurs and households in
22 the informal economy, in particular:

- 23 (a) Those in the informal economy who own and operate economic
24 units, including self-employed workers, self-employed own
25 account workers, employers, members of cooperatives, and
26 members of other social and solidarity economy units;
- 27 (b) Home-based workers or contributing family workers,
28 irrespective of whether they work in economic units in the
29 formal or informal economy;

- (c) Employees holding informal jobs in or for formal enterprises, or for economic units in the informal economy, including those in contract arrangement and/or in supply chains, or as paid domestic workers employed by households;
 - (d) Workers in unrecognized or unregulated employment relationships;
 - (e) Agricultural workers or fisherfolk in unrecognized or unregulated agricultural or farming endeavors and fishing activities; and
 - (f) Non-regular domestic workers.

SEC. 4. *Definition of Terms.* As used in this Act, the following shall mean:

- (a) "*Informal Economy*" refers to all economic activities by workers and economic units that are, in law or in practice, not covered or insufficiently covered by laws or formal arrangements.
 - (b) "*Economic Units in the Informal Economy*" refer to units that are owned by individuals working on their own account either alone or with the help or contributing family workers; household enterprises engaged in the production of goods and services or unincorporated enterprises owned by households; cooperatives and other social and solidarity economy units.
 - (c) "*Informal Economy Workers' Organization*" refers to a group of informal sector workers that are organized with the primary objective of promoting the rights and welfare of workers in the informal economy.
 - (d) "*Informal Employment*" refers to an employment arrangement in the formal or informal sectors or in households that exist based mostly on casual employment, kinship or personal and social relations with no formal guarantees on legal protection

1 and benefits economic units that are unregistered, unlicensed
2 and unregulated.

- 3 (e) “*Own-account worker*” refers to workers who, working on their
4 own account or with one or more partners, hold the type of job
5 defined as a self-employed job, and have not engaged on a
6 continuous basis any employees to work for them during the
7 reference period.
- 8 (f) “*Security of and in the Workplace*” refers to the right of every
9 worker and informal economic unit to an enabling environment
10 that guarantees and protects the spaces to undertake their
11 work, including the right to be safe in one’s own work space,
12 free from discrimination, risk, danger, doubt, anxiety, or fear of
13 being removed, evicted or prevented from working.
- 14 (g) “*Social Protection*” refers to policies and programs that seek to
15 reduce poverty and vulnerability to risks and enhance the social
16 status of the marginalized by promoting and protecting
17 livelihood and employment, protecting against hazards and
18 sudden loss of income, and improving people’s capacity to
19 manage risk, as well as all other interventions that support
20 communities, households, and individuals, both women and
21 men, and realizing their rights as citizens through their full
22 participation in decision-making affecting or which may affect
23 their access to and control over resources necessary to
24 maintain and sustain a decent and secure life.
- 25 (h) “*Social and Solidarity Economy Units*” refers to enterprises and
26 organizations including cooperatives as defined under Republic
27 Act No. 9520, mutual benefit societies, associations,
28 foundations and social enterprises which produce goods,
29 services and knowledge that meet the needs of the community
30 they serve, through the pursuit of specific social and
31 environmental objectives and the fostering of solidarity.

Chapter II RIGHTS AND BENEFITS

SEC. 5. *Rights and Benefits of Workers in the Informal Economy.* Workers in the informal economy shall be entitled to all the rights accorded to workers by the Philippine Constitution, the Labor Code of the Philippines, as amended, and relevant international human rights instruments and international labor standards. Accordingly, the State shall guarantee all workers in the informal economy the following:

- 9 (a) Right to security of and in the workplace;
 - 10 (b) Right to make a living by work freely chosen or accepted and
11 avail of technical and vocational guidance and training
12 programs;
 - 13 (c) Right to just and favorable conditions of work, including
14 provision for work-life balance, child care and other facilities;
 - 15 (d) Right to a living wage and equal remuneration for work of equal
16 value without distinction of any kind, in particular for women
17 who shall be guaranteed equal wages for work similar or
18 equivalent to those done by men;
 - 19 (e) Right to equal opportunity for promotion, subject to no other
20 considerations than seniority and competence;
 - 21 (f) Right to safe and healthy working conditions safeguarding
22 general, occupational and reproductive health;
 - 23 (g) Right to basic services including affordable medical care,
24 reproductive and other health services, low-cost housing,
25 water, sanitation, electricity and transport;
 - 26 (h) Right to rest, leisure and reasonable limitation of working hours
27 and periodic holidays with pay, as well as remuneration for
28 public holidays whenever applicable;

- (i) Right to maternity and paternity benefits, as provided for by law;
 - (j) Right to equal access to education, skills training, and economic resources to develop self-reliance, especially of children and young persons, without any discrimination;
 - (k) Right to self-organization and to collectively negotiate with government and other entities in the promotion of their welfare and advancement of their interests, free from any political interference;
 - (l) Right to adequate standard of living for workers and their families, adequate food, clothing, shelter, and the continuous improvement of such standard;
 - (m) Freedom from any form of discrimination, violence, exploitation including sexual exploitation, harassment, abuse and any form of inhumane treatment which debases, degrades or demeans the intrinsic worth and dignity of the worker as a human being;
 - (n) Accessible social protection and safety nets, labor market programs, and social welfare interventions such as social security, health care and insurance;
 - (o) Equal treatment before the law;
 - (p) Right to participate in policy and decision-making processes and social dialogue, including access to information and resources relevant to the promotion and protection of their rights and welfare;
 - (q) Equal access to justice for redress of grievances, including alternative dispute resolution processes; and
 - (r) Access to public procurement including advice and reserving quota for informal economic units.

1 **SEC. 6. *Rights and Benefits of Own-Account Workers.*** Own-
2 account workers as well as informal economic units, being the working
3 poor's primary instruments to address and overcome poverty, shall be
4 accorded preferential rights by the State over the following:

- 5 (a) Infrastructure support such as farm to market roads, common,
6 affordable and secure workplaces and facilities, merchandising
7 centers, farmers' markets or a "bagsakan" with proper storage
8 facilities, and inventory bulk-buying centers;
- 9 (b) Policy support to promote and protect locally-produced
10 products and services including enhancement of the local value
11 chain;
- 12 (c) Ease and facilitation of access to markets, including capacity-
13 building to access e-marketing facilities;
- 14 (d) Access to affordable, appropriate and adequate financial
15 services, including, among others, collateral-free and gender-
16 balanced credit at low interest;
- 17 (e) Access to appropriate and adequate machinery, equipment,
18 and other technologies, with the end in view of increasing
19 productivity and growth;
- 20 (f) Protection from unjust dislocation from places where economic
21 activities are conducted observing the policy of "relocation
22 before demolition";
- 23 (g) Measures against racketeering, extortion, and harassment, by
24 both State and non-State elements;
- 25 (h) Common workplaces, common technology facilities, adequate
26 and affordable marketing facilities such as economic freedom
27 parks, merchandising centers, and inventory bulk-buying
28 centers;

- (i) Freedom from deprivation of property without valid cause and due process of law; and
 - (j) Affordable and customized social security and insurance programs.

SEC. 7. Rights of Legitimate Organization of Workers in the Informal Economy or Employment. Workers in the informal economy or employment may organize into unions, cooperatives, social and solidarity economic units' organizations and mutual benefit associations. Legitimate organization of workers in the informal economy or employment shall have the right:

- (a) To freely function and act as the representatives of their members in policy and decision-making processes, collective negotiations, tripartite bodies and consultations, multi-sectoral and other similar bodies;
 - (b) To establish, join or affiliate with national federations or confederations and international trade union organizations;
 - (c) To access information from concerned government institutions and other parties that are pertinent to the protection and promotion of the rights and welfare of their members;
 - (d) To own property, real or personal, for the use and benefit of their organizations and members;
 - (e) To sue and be sued under their registered name; and
 - (f) To undertake all other activities, not contrary to law, designed to benefit their organizations and members.

SEC. 8. Assistance to Organizations of Workers in the Informal Economy. The State shall encourage and support the formation of organizations among marginalized farmers, fisherfolk, women, and

1 workers in the informal economy or employment whether in
2 manufacturing, agriculture, transport, retail, services, and home-based
3 workers.

4 Toward this end, all national government agencies, government
5 financial institutions and local government units' plans, programs and
6 policies shall foster an atmosphere conducive to the exercise of the right
7 to self-organization of the workers in the informal economy and access to
8 purchase inputs at lower cost, obtain fair prices for their produce, avail of
9 credit assistance and skills training, and share from collective gains in the
10 case of the cooperatives.

11

Chapter III

SECURITY IN THE WORKPLACE OF WORKERS IN

INFORMAL ECONOMY OR EMPLOYMENT

12

13

14 **SEC. 9. *Designation of Workplaces.*** Local Government Units
15 (LGUs), in coordination with their respective organization of workers in the
16 informal economy and their members, affected communities and other
17 relevant groups, shall endeavor to identify, designate and design a system
18 of assignment on the following:

- 19
- 20 (a) Productivity and merchandizing centers as viable workplaces
21 for informal workers, which may include markets and vacant
22 areas near markets, vacant public spaces and other spaces
23 which may be a private property that the LGU may acquire,
24 lease, or negotiate with legitimate organization of workers in the
25 informal economy for lease under a memorandum of
agreement; and

26

 - (b) Routes, terminals, and specific lanes for small transport
27 workers.

28 **SEC. 10. *Policy on Eviction and Demolition.*** Workers in the
29 informal economy or employment shall not be evicted from their homes
30 and workplaces without legal ground as provided under Republic Act No.
31 7279, otherwise known as the "Urban Development and Housing Act of
32 1992" and provision of livelihood opportunities, adequate water and

1 electricity availability as well as decent conditions of living in accordance
2 with law. Logistical viability for the displaced shall be given priority in the
3 course of determining the relocation sites or areas.

4 **SEC. 11. *Policy on Confiscation of Materials and Impounding***
5 **of Vehicles.** In cases where demolition or eviction is warranted, the
6 person, government agencies or their respective agents who conducts the
7 same shall issue an itemized receipt of all products, goods, and other
8 materials seized or confiscated from vendors and other affected workers
9 in the informal economy or employment.

10 Tricycles, *pedicabs*, and other modes of transportation shall not be
11 impounded for violations of license, registration, or traffic regulations
12 unless the said vehicles were utilized in the conduct of criminal activities.
13 In cases of violation of traffic regulations, a traffic violation ticket shall be
14 issued to the erring driver without impounding his/her vehicle.

15 **SEC. 12. *Policy on Relocation of Vending Sites.*** Before any
16 public market is closed, sold or demolished, all market vendors shall first
17 be relocated by the LGU to a temporary or new public market. Notice of
18 the intention to close, sell, or demolish any public market shall be made
19 to all concerned vendors at least sixty (60) days before the actual transfer
20 or relocation to another market site. Within the sixty-day period after
21 issuance of notice, the LGU shall conduct consultations with affected
22 vendors on the selection of the relocation site and implementation of the
23 relocation.

24 Vendors, ambulant or otherwise, occupying or selling in public
25 places not previously designated as vending site shall be provided with
26 viable temporary sites by the LGU and notice of temporary transfer shall
27 be given to the vendors at least fifteen (15) days before the actual transfer
28 to temporary vending site. The fifteen (15) days notice shall likewise apply
29 to vendors granted with permits but whose workplaces are withdrawn from
30 the list of allowable vending sites. Any change in the list of allowable
31 vending sites shall only be done after consultations with affected vendors.

In the event that a new public market is constructed in place of an old one, market vendors with stalls displaced from their workplaces shall be given priority in the assignment of stalls in the new market.

4 **SEC. 13. *Policy on Relocation of Terminals.*** Designated
5 terminals for tricycles, pedicabs and other similar modes of transportation
6 shall not be arbitrarily relocated without prior notice and consultation with
7 small transport groups, legitimate organizations of workers in the informal
8 economy or employment, affected community and other relevant sectors.
9 Relocation of terminals can only be implemented through an Ordinance,
10 the enactment of such shall be subject to the required consultation and
11 notice of intention to relocate terminals to affected small transport groups
12 and community at least sixty (60) days before its issuance.

Chapter IV

SOCIAL PROTECTION FOR THE INFORMAL SECTOR

15 **SEC. 14. *Formalization of the Social Protection Floor.*** The
16 State shall support, sustain, enhance, or institutionalize the social
17 protection floor initiative through convergence of the resources of various
18 agencies of the government for continuous social security and health
19 insurance subsidies to vulnerable and other informal workers as well as
20 initiate programs for the unemployed, children, and older persons based
21 on applicable and ever improving standards.

22 **SEC. 15. Social Welfare Efforts.** The Department of Social
23 Welfare and Development (DSWD) shall consolidate social welfare efforts
24 to address the needs of the workers in the informal economy, including
25 direct assistance, policy development and community engagement for the
26 workers.

SEC. 16. *Role of the Department of Labor and Employment.*
The Department of Labor and Employment (DOLE) shall engage in labor market interventions that shall provide adequate protection for the workers in the informal economy and ensure timely and immediate action for labor concerns as well as security of tenure, job generation and other pertinent concerns.

SEC. 17. Social Safety Nets. Social safety nets provided or implemented by the DOLE, DSWD, Department of Agriculture (DA) and other government agencies shall be made accessible to all workers in the informal economy and to their legitimate organizations.

SEC. 18. *Social Insurance.* Social insurance programs including Social Security, Pag-ibig (Home Development Mutual Fund) and PhilHealth shall be fully available to workers of the informal economy, and for this purpose, policies and mechanisms for their full utilization and benefit shall be formulated by the SSS, HDMF and PhilHealth.

Chapter V

LABOR STANDARDS AND ENFORCEMENT OF LABOR LAWS FOR WORKERS IN THE INFORMAL ECONOMY

13 **SEC. 19. *Applicability of the Provisions of the Labor Code.***
14 The provisions of the Labor Code governing the employer-employee
15 relationship particularly on general labor standards and occupational
16 safety and health standards shall apply to all forms of work arrangements
17 in the informal economy.

SEC. 20. Prohibited Acts Specific to Workers in the Informal Economy. The following are deemed prohibited:

27 The contract shall be explained to the worker and attested to by
28 a representative from the LGU or an elected Barangay official
29 in the city or municipality where the worker is designated to
30 work

- (2) **Recruitment or Finders' Fees.** Regardless of whether the worker was sourced either through an employment agency or a third party, workers in the informal economy shall neither be charged nor levied a recruitment fee or finders' fee by the aforementioned employment agency or third party.

(3) **Hazardous Work and Conditions.** Workers shall not be engaged to do hazardous work, activity or undertaking, or be exposed to hazardous working conditions in accordance with law.

(4) **Interference and Coercion.** Any person is prohibited from committing any of the following acts of interference and coercion:

 - (a) Preventing any worker from upholding or exercising his/her rights;
 - (b) Preventing any worker from joining or assisting organization for purposes not contrary to law;
 - (c) Preventing any worker from carrying out his/her duties or functions in an organization, or to penalize the same for any lawful action performed in that capacity;
 - (d) Harassing, threatening, coercing or intimidating any worker that result in preventing him or her from performing his or her duties and functions;
 - (e) Transferring, penalizing or terminating the services of a worker without valid or legal ground; and
 - (f) Other acts calculated to diminish the independence and freedom of workers' organization to direct its own affairs.

(5) **Non-compliance with Republic Act No. 7610, as amended by Republic Act No. 9231 in the employment of minors.** In cases where minors are contracted or hired to render work or services, the age should be at least fifteen (15) years old and there is parental or legal guardian consent in the employment contract. In addition, the employment contract should also be attested to by any representative of the LGU or duly elected Barangay official where the work is to be done. The employers of the minors shall also provide them with access to at least elementary or secondary education, either through traditional schooling or alternative learning systems.

SEC. 21. Visitorial and Enforcement Power of the Secretary of Labor and Employment. Employment contracts and/or engagements in the Informal Economy shall be subject to the visitorial and enforcement power of the Secretary of Labor and Employment pursuant to Article 128 of the Labor Code of the Philippines.

Chapter VI

POLICY COORDINATION AND DEVELOPMENT

SEC. 22. *Function of National Economic Development Authority.* The Committee on Social Development of the National Economic Development Authority (NEDA) shall develop policies and programs that shall institutionalize and strengthen informal economy workers and the informal economy units.

SEC. 23. *Informal Economy Initiatives of Local Development Council.* The Local Development Councils of all provinces, cities and municipalities shall establish a body of coordination, registration and assistance for workers in the informal economy within their respective jurisdictions.

The Local Development Councils shall also form a sectoral or functional committee that shall facilitate the registration of informal economy workers.

Chapter VII

REGISTRATION OF INFORMAL ECONOMY WORKERS

SEC. 24. *Registration.* Pursuant to its functions under the Local Government Code, the Local Development Council, thru its Secretariat or thru the creation of a sectoral or functional committee, shall establish a system of registration of workers of the informal economy. The system shall be as follows:

(a) **Workers.** There shall be a simple and standard system of registration in accordance with the framework and principles of this Act. A one-time registration fee of not more than Fifty Pesos (P50.00) per individual worker shall be paid to the municipality or city where the worker resides.

Any Informal Economy (IE) worker registered in the local government provided for in this Act shall be listed in the centralized database system and shall be issued an identity card and a record book that shall list all services and benefits availed of. Such identification card shall serve as proof of the IE worker's right to avail of development programs; *Provided that*, the poorest and the most vulnerable workers shall be given priority.

The concerned LGU shall review, revalidate and reassess such database as a tool for local planning and for other purpose every two (2) years. Renewal of eligibility shall be in accordance with the merit and fitness principle, and with the conditions that no child labor shall be used and no activities harmful to the environment shall be implemented.

(b) *Informal Economic Unit.* A comprehensive database of all economic units shall be developed and maintained. Such database shall take into account the different sub-classifications in terms of asset size, number of workers, social insurance provided, statutory benefits and wages, industry, geography, premises, sex, ethnicity, vulnerability, and roles and

functions. The database shall also indicate informal economic units which may be categorized as livelihood enterprises and entrepreneurial or growth oriented informal businesses.

The database shall also include information on payments collected from IE workers, Workers in the Informal Economy (WIE) organizations and economic units. The Barangay Micro Business Enterprise (BMBE) Registry, in general, shall include these informal economic units, pursuant to the qualification of micro-enterprises under Republic Act No. 8425.

The aforesaid comprehensive database shall form part of the bases of assessment and monitoring of the growth of the informal economy.

All local government units shall formulate a uniform and simple checklist of requirements for registration and establish an IE One-Stop Shop Center which shall handle all transactions and processing of business permit applications within their respective jurisdiction and worker's registration. The Center shall ensure that processing of the business permit of the informal economic units shall be expedited and shall be completed within one day.

The DOLE shall create a checklist of requirements for registration.

(c) *Informal Economy Organizations/Associations.* IEO/A shall register or accredit with the Department of Labor and Employment (DOLE).

SEC. 36. *Annual Dues.* IE workers and organizations shall pay annual dues to be determined by the Local Government Unit (LGU) concerned, in consultation with their respective Local Development Councils referred herein. In no case shall the annual dues to be paid by the IE workers be more than 30% of the prescribed daily minimum wage

1 as determined by the Regional Tripartite Wages and Productivity Board
2 (RTWPB) in their respective regions or provinces.

3 These annual dues shall accrue to the respective LGU where they
4 are accredited. The accumulated funds from these dues shall be used for
5 programs to benefit IE workers and organizations/associations, business
6 activities, enterprises and organizations, as recommended by the Local
7 Development Council. Such programs and disbursement of funds shall be
8 approved by the concerned LGU Council in consultation with the local
9 informal economy constituents.

10 **SEC. 37. *Registration and Non-Registration.*** In no case shall
11 registration be construed as a basis for rights and entitlements and rights
12 under this Act, and it shall not be made as a prerequisite to work by any
13 private enterprise or government unit.

14 **TITLE II**
15 **FINAL PROVISIONS**

16 **SEC. 39. *Penal Provision.***

- 17 (a) Any person who shall willfully interfere with, restrain or coerce
18 a worker in the exercise of his or her rights or shall in any
19 manner commit any act in violation of any of the provisions of
20 this Act shall, upon conviction, be punished by a fine of not less
21 than Twenty Thousand Pesos (P20,000.00) or imprisonment of
22 one (1) to six (6) years or both fine and imprisonment at the
23 discretion of the Court.
- 24 (b) If the offender is a public official, the Court, in addition to the
25 penalties provided in the preceding paragraph, may impose the
26 additional penalty or disqualification from public office.
- 27 (c) Any person who violates Section 11 of this Act (*Policy on*
28 *Confiscation of Materials and Impounding of Vehicles*) shall be
29 liable. Nothing herein shall prohibit the aggrieved workers in the

1 informal economy from initiating a criminal or civil action against
2 the responsible person or officer.

- 3 (d) Failure to implement Sections 12 (*Policy on Relocation of*
4 *Vending Sites*) and 13 (*Policy on Relocation of Terminals*) shall
5 render the responsible official/s administratively liable pursuant
6 to Republic Act No. 7160 and other applicable laws, without
7 prejudice to any civil or criminal cases that may be filed against
8 such erring official/s.
- 9 (e) If a private institution/company is found to have violated any
10 provisions of this Act, its business shall be suspended or
11 revoked at the discretion of the Court.

12 **SEC. 40. *Implementing Rules and Regulations (IRR).*** The
13 DOLE, DILG and the National Economic Development Authority (NEDA),
14 in coordination with other concerned agencies and stakeholders, shall
15 formulate the implementing rules and regulations within 180 days from the
16 effectivity of this Act.

17 **SEC. 41. *Separability Clause.*** If any provision of this Act is
18 declared unconstitutional or invalid, the provisions not affected shall
19 continue to be in full force and effect.

20 **SEC. 42. *Repealing Clause.*** All laws, decrees, orders, rules and
21 regulations or other issuances inconsistent with the provisions of this
22 Act are hereby repealed, amended or modified accordingly,

23 **SEC. 43. *Effectivity.*** This Act shall take effect fifteen (15) days
24 after its publication in the Official Gazette.

25 Approved,