

Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City

**SEVENTEENTH CONGRESS**  
**First Regular Session**

**HOUSE BILL NO. 4865**



Introduced by **Representative Dennis C. Laogan**  
***Ang Kabuhayan Party-List***

**AN ACT STRENGTHENING AND ENSURING THE EMPLOYMENT OF  
PERSONS WITH DISABILITY (PWD), AMENDING FOR THE PURPOSE  
REPUBLIC ACT NO. 7277, AS AMENDED, OTHERWISE KNOWN AS THE  
“MAGNA CARTA FOR PERSONS WITH DISABILITY”**

**EXPLANATORY NOTE**

Republic Act No. 7277, otherwise known as “The Magna Carta for Disabled Persons” approved in 1992, was promulgated to ensure that State will be able to give its full support to the improvement of the total well-being of disabled persons and aid in their integration into mainstream of society. This law has been amended by RA 9442, RA 10524, and RA 10754. Numerous other laws, administrative orders, local ordinances, departmental circulars, rules, and proclamations have also been promulgated seeking to improve the welfare of PWDs.

There have also been numerous employment-related programs and services from the executive department for the PWDs, such as the *Tulong Alalay sa Taong May Kapansanan* (TULAY) program, or support services to PWDs, of the Department of Labor and Employment (DOLE), the Assistance Package for PWDs of the Department of Trade and Industry (DTI), the Philippine National Skills Competition for PWDs of the Technical, Education and Skills Development Authority (TESDA), and the Science and Technology Intervention for the Poor, the Vulnerable and PWDs of the Department of Science and Technology (DOST).

However, despite all of the above, the current provisions in the abovementioned laws, projects and programs are not effective enough to translate our laws into concrete, sustainable progress in the employment of PWDs in the country, especially in the private sector.

A 2013 study<sup>1</sup> published by the Philippine Institute for Development Studies (PIDS) enumerates the following key findings relevant to the rationale behind this proposed measure:

<sup>1</sup> Mina, C., “Employment of Persons with Disabilities (PWDs) in the Philippines: The Case of Metro Manila and Rosario Batangas,” PIDS Discussion Paper Series, Philippine Institute for Development Studies. January 2013

(1) roughly half of working PWDs are underemployed;

(2) the majority of employed respondents in both areas are considered as vulnerable workers – self-employed and unpaid family workers, and;

(3) some PWDs who are wage/salary workers are considered as informally employed as they are working as temporary workers without formal contract, seasonal workers, or hired on a daily basis.

The “Magna Carta for Disabled Persons” is already a commendable legislative effort in itself, but in light of the continuing problem of PWD employment as abovementioned, there is a pressing need to make improvements on the pertinent provisions of the said law. Hence, this measure seeks to do the same by amending Sections 5 and 8 of RA 7277, with Sec. 5 dealing with reservation of positions for PWDs, and Sec. 8 dealing with incentives for employers of PWDs.

IN VIEW OF THE FOREGOING, the approval of this bill is earnestly sought.

  
**DENNIS C. LAOGAN**

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

1       **SECTION 1. Declaration of Policy** – The State, in accordance with the constitutional  
2 mandate in Article XIII of the 1987 Constitution, shall afford full protection to labor, and  
3 promote full employment and equality of employment opportunities. The State is also mandated  
4 to ensure the integration of persons with disability into mainstream society.

5       More importantly, Congress is constitutionally mandated to give the highest priority to  
6 the enactment of measures reduce economic inequalities by diffusing wealth for the common  
7 good.

8  
9       **SECTION 2. Amendment of Section 5 of RA 7277** – Section 5 of RA 7277, otherwise  
10 known as the “Magna Carta for Persons with Disability”, as amended by RA 10524, is hereby  
11 further amended to read as follows:

12       **“Sec. 5. Equal Opportunity for Employment.** – No person with  
13 disability shall be denied access to opportunities for suitable employment. A  
14 qualified employee with disability shall be subject to the same terms and  
15 conditions of employment and the same compensation, privileges, benefits,  
16 fringe benefits, incentives or allowances as a qualified able bodied person.

17  
18       At least **two percent (2%)** of all positions in all government agencies,  
19 offices or corporations shall be reserved for persons with disability:

20       *Provided,* That private corporations with more than one hundred (100)  
21 **but not more than one thousand (1,000) employees are mandated** to reserve  
22 **at least one percent (1%)** of all positions for persons with disability, **while**

1 those with more than one thousand (1,000) employees are mandated to  
2 reserve at least two percent (2%) of all positions for such persons with  
3 disability.”  
4

5 **SECTION 3. Amendment of Section 8 of RA 7277** – Section 8 of RA 7277, otherwise  
6 known as the “Magna Carta for Persons with Disability”, is hereby further amended to read as  
7 follows:

8 “**Sec. 8. Incentives for Employer** - (a) To encourage the active  
9 participation of the private sector in promoting the welfare of disabled persons  
10 and to ensure gainful employment for qualified disabled persons, adequate  
11 incentives shall be provided to private entities which employ disabled persons.

12 (b) Private entities that employ disabled persons who meet the required  
13 skills or qualifications **as apprentices or learners**, shall be entitled to an  
14 additional deduction, from their gross income, equivalent to twenty-five percent  
15 (25%) of the total amount paid as salaries and wages to disabled persons, **while**  
16 **private entities that employ said disabled persons as regular employees shall**  
17 **be entitled to an additional deduction, from their gross income, equivalent**  
18 **to fifty (50%) of the total amount paid as salaries and wages to disabled**  
19 **persons:**

20 *Provided, however,* That such entities present proof as certified by the  
21 Department of Labor and Employment that such disabled persons are under their  
22 employ.

23 *Provided further,* That **said disabled employees** are accredited with the  
24 Department of Labor and Employment and the Department of Health as to their  
25 disability, skills and qualifications.

26 (c) Private entities that improve or modify their physical facilities in  
27 order to provide reasonable accommodation for disabled persons shall also be  
28 entitled to an additional deduction from their net taxable income, equivalent to  
29 fifty percent (50%) of the direct costs of the improvements or modifications.  
30 This section, however, does not apply to improvements or modifications of  
31 facilities required under Batas Pambansa Bilang 344.”  
32

33 **SECTION 4. Repealing Clause.** – Any law, presidential decree or issuance, executive  
34 order, letter of instruction, administrative order, rule or regulation contrary to, or inconsistent  
35 with the provisions of this Act is hereby repealed, modified or amended accordingly.  
36

37 **SECTION 5. Effectivity Clause.** – This Act shall take effect after fifteen (15) days  
38 following its publication in the *Official Gazette* or in two (2) newspapers of general circulation.