HOUSE OF REPRESENTATIVES
RECEIVED
DATE: FEB 0 3 2020
TIME: 6:24 pm
BY:
BILLS & INDEX SERVICE

EIGHTEENTH CONGRESS)
REPUBLIC OF THE PHILIPPINES)
Second Regular Session)

HOUSE OF REPRESENTATIVES

Introduced by Representative Rufus B. Rodriguez

House Bill No. 8626

EXPLANATORY NOTE

According to the Bureau of Workers with Special Concerns (BWSC), the Philippines is currently among the last two member-countries of the Association of Southeast Asian Nations (Asean) without any formal statistical indicator for informal sector workers.

As evidence of this, the Philippine Statistics Authority (PSA) was able to conduct an Informal Sector Survey (ISS) in 2008 specifically to measure the number of informal sector workers. And there have been no survey ever since. However, the PSA would usually estimate the number of informal sector workers in the country using data of self-employed workers and unpaid family workers from its regular Labor Force Survey.

Data from the PSA would show that as of 2017, the estimated number of self-employed workers nationwide is around 14.3 million, or around 35.1 percent of the 40.83 million work force for that period.

This shows how neglected the informal sector is.

According to the International Labor Organization (ILO), the informal economy consists of independent, self-employed small-scale producers and distributors of goods and services. Workers in this sector are for the most part not covered by the country's labor laws and regulations. Proxy measurement and related indicators for the informal economy include the vulnerable employment rate, defined as the share of own-account and contributing family workers in total employment.

Despite this, the contribution of the informal sector workers to our economy cannot be overstated.

In view of the foregoing, immediate passage of this measure is earnestly requested.

RUFUS B. RODRIGUEZ

~~EIGHTEENTH CONGRESS~~)
REPUBLIC OF THE PHILIPPINES)
Second Regular Session)

HOUSE OF REPRESENTATIVES

Introduced by Representative Rufus B. Rodriguez

House Bill No. 8626

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

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

TITLE I
GENERAL PROVISIONS

Chapter I
Framework and Principles

SEC. 1. Short Title. - This Act shall be known as the "Magna Carta of Workers in the Informal Economy".

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

(a) To promote the total well-being of all workers in the informal economy, provided, that focus will be on the poorest and most vulnerable of these workers;

(b)To ensure their human dignity, economic advancement and access to justice by providing timely services, including social, political, economic, and legal;

(c) To recognize, promote, protect, fulfill and ensure the civic and constitutional rights of workers in the informal economy, including the rights to: self-organization; just and humane working conditions; access to social protection; security of workplaces; peaceful concerted activities; represent their organizations, and participate in policy and decision-making processes affecting their rights and benefits and towards the provision of a comprehensive package of reforms, interventions, and services in accordance with their articulated needs and interests;

(d) To recognize the roles, give proper value to the contributions of workers in the informal economy, and make them visible in the national and local statistics;

(e) To provide venues for dialogue and consultation with informal economy workers so that their concerns and needs are effectively addressed by lasting and workable reforms in enforcement of labor standards, advancement of labor relations;

(f) To develop and enhance their technical, special, entrepreneurial and other skills and capabilities necessary towards their empowerment and enjoyment of benefits and entitlements associated with the formal economy; and becoming more productive and self-reliant citizens, thereby ensuring participation in mainstream economic activities based on their own pace and self-determination;

(g) To progressively eliminate child labor through the creation of more quality jobs for adults, effective enforcement of laws against child labor, elimination of gender-based discrimination against girl child workers, improved access to universal education and social protection, and elimination of cultural factors that directly or indirectly tolerate, and even accept child labor;

(h) To promote gender equity and equality by protecting women workers in the informal economy against gender-based discrimination, exploitation and abuse; advancing women's social, economic, political, and reproductive rights; and improving their access to social protection and participation in decision-making bodies and processes.

(i) To develop the local economy through maximization of the potential and contribution of informal economy business activities and enterprises;

(j) To encourage and support workers in the informal economy to form self-help groups, mutual benefit associations, unions, cooperatives, and other forms of self-organization for their mutual aid, benefit, protection and for other legitimate purposes;

(k) To include the concerns of workers in the informal economy in the policies, plans, programs, projects and activities of relevant national government agencies, government financial institutions, and local government units;

(l) To advance the autonomy and empowerment of local government units and their capability to be more responsive to the needs of the workers in informal economy among their constituents;

(m) To protect vulnerable groups in the informal economy such as children, older persons, differently-abled persons, indigenous peoples, and people living with HIV and AIDS from discrimination, exploitation, abuse and harassment, as well as from performing work hazardous to their occupational, physical, mental, emotional, reproductive and spiritual health; and

(n) To integrate ethnicity as a factor in the formulation of programs and mechanisms to promote and protect rights of workers in the informal economy.

SEC. 3. Framework and Principles. Article II, Section. 9 of the Philippine 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 al " Therefore, it is the State's responsibility to give the highest priority to the enactment of measures that protect and enhance the rights of all people to human dignity; redL1ce social, economic and political inequalities; lessen vulnerabilities to risks including those brought about by environmental degradation and natural disasters, remove cultural inequities by redistributing wealth and political power for the common good; and to develop an enabling environment conducive to responsible citizenship. Towards this end, the government shall pursue and implement a comprehensive, rights-based, participatory, sustainable and gender responsive framework for workers in the informal economy that includes but not limited to:

(a) Policies and programs that will bring marginalized workers and economic units into the economic and social mainstream; and spur entrepreneurial or growth-oriented informal business to graduate to formal status based on their own pace and self-determination thereby reducing their vulnerability and exclusion;

(b) Structural reforms in all relevant levels of government by creating committees, special offices for development and protection of workers in the informal economy and supporting their representational, entrepreneurial and other rights through their organizations;

(c) Accessible and affordable social protection, including labor market interventions, social insurance coverage, basic health care, occupational safety and health, reproductive health services, social welfare programs and safety nets;

(d) Policies, programs and interventions that will ensure security of workplaces of workers in the informal economy towards a work environment that protects their rights and enables them to become more productive.

(e) Minimum and simplified regulations to encourage the development of ingenuity and entrepreneurial spirit among workers in informal economy;

(f) Mechanisms for the growth and expansion of the various business act1v1ties or enterprises in the informal economy preferably with the cooperation and support of the private sector:

(g) Organization, establishment, strengthening and expansion of the various business activities or enterprises in the informal economy at the barangay level, preferably to be unified under municipality-, provincial-, regional- and national- level federations or associations;

(h) Applicable labor standards;

(i) Recourse mechanisms to address violations of informal workers' rights;

(j) Mechanisms and processes that prioritize the provision of services to the poorest and the most vulnerable workers,

(k) Exacting responsibility on the part of the workers in the informal economy to comply with their obligations, provided that the State shall put in place responsive, transparent and accountable mechanisms and systems that ensure recognition, protection, promotion and realization of their rights

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

Informal Economy - Based on the International Labor Conference (ILC) 2002, this refers to "all economic activities by workers and economic units that are - in law or in practice - not covered or insufficiently covered by formal arrangements•

The Informal Economy includes a wide variety of activities, enterprises and workers. Self-employment consists of employers of informal enterprises who hire other workers and own- account workers. Wage-employment includes informal employees of both formal and informal firms, subcontracted workers, wage workers for households or domestic workers, and wage workers with no fixed employer or casual day workers. The working conditions, opportunities and risks faced by these different categories of informal workers are very diverse.

Informal workers often experience poor working conditions such as long working hours, high level of health hazards, lack of social security, poor earnings, low productivity, and lack of legal protection. To a large extent, women and disadvantaged groups such as youth, persons living with HIV and AIDS, persons with disabilities, indigenous peoples and migrant workers are overrepresented in the informal economy.

Informal Sector, as defined by the National Statistical Coordination Board (NSCB) Resolution No. 15, series of 2002, refers to units engaged in the production of goods and services with the primary objective of generating employment and incomes to the persons concerned. It consists of households and unincorporated enterprises that are market and non-market producers of goods, as well as market producers of services.

These enterprises are operated by own-account workers, which may employ unpaid family workers as well as occasional or seasonally-hired workers.

These enterprises may also be owned and operated by employers which may employ less than ten (10) employees on a continuous basis.

Workers in the Informal Economy - hereinafter referred to as WIE include but are not limited to the following:

1. small farmers owning land not more than three (3) hectares;
2. rural and agricultural workers who are tenants, sharecroppers, or laborers;
3. small fisherfolk/operators owning boats of three (3) gross tons or less and other fishing equipment;
4. fisherfolk who are without fishing equipment and who market their catch;
5. on-call fish workers, porters and batillo;
6. home-based workers who are independent producers of goods or services;
7. industrial homeworkers - workers involved in a system of production under which work is carried out at their homes and where materials may or may not be furnished by the employer or contractor;
8. self-employed who are engaged by other enterprises through subcontracting arrangements;
9. ambulant vendors or peddlers refer to vendors who ply their trades in search of buyers;
10. street vendors refer to vendors who sell their merchandise on streets and sidewalks;
11. vendors with stalls in public and private markets and those engaged in sari-sari stores with operating capitalization of not more than one million pesos (P1,000,000.00) excluding land and building;
12. drivers and workers of modes of transportation on land and sea whether motorized or not, including: two (2) wheels such as calesa; three (3) wheels such as pedicabs, tricycles; four (4) wheels such as jeepneys and buses; and boats one (1) ton and below; 'barkers'; fare collectors; dispatchers; and other workers who share income with self-employed or unincorporated operators;
13. operators of jeepneys, tricycles, pedicabs, taxi, and other vehicles or transportation whose capitalization is not more than one million pesos (P1,000,000.00) excluding land and building;
14. all unregistered and unprotected domestic workers who are generally not covered by social protection such as maids, cooks, family drivers, gardeners and baby sitters.
15. non-corporate construction workers;
16. small scale miners doing their own product processing; including those involved in small scale mining and quarrying with capitalization of below one million pesos (P1,000,000.00);
17. workers of Barangay Micro Business Enterprises (BMBEs);
18. non-corporate cargo handlers and allied workers;
19. waste pickers and recyclers;
20. workers engaged in producing seasonal products;
21. own account workers including but not limited to those engaged in the maintenance and repair of equipment and appliances, clothing and footwear, as well as those providing services such as beauticians, barbers, masseuses;
22. "on-call" workers in the entertainment, movie, and media industries such as but not limited to bit players, stuntmen and women, crew, make-up artists, etc.;
23. volunteer workers in government and non-government entities who only receive allowances or honoraria, including but not limited to: barangay health workers (BHW),

barangay tanod, barangay nutrition scholars (SNS), barangay daycare workers, and volunteers in non-government or people's organizations;
24. unpaid family members, or workers receiving allowances and seasonally hired workers who are engaged in micro-enterprises or assist unincorporated household enterprises; and
25. other similar economic activities that are not illegal, criminal or life-threatening in nature.

Worker is a general term that refers to both self-employed and paid employees covered under the provisions of this Act.

Self-employed Worker refers to any person who has no employer and who works for himself/herself by producing goods or services for the market.

Worker of Minor Age refers to a child fifteen (15) to seventeen (17) years of age who is engaged in productive employment under a valid contract of employment.

Employer refers to a natural person or group or partnership of people or a corporation for whom a paid worker renders productive employment or service.

Security in the Workplace refers to the right of every worker to an enabling environment that guarantees and protects the spaces for WIE to undertake their work, including the right to feel safe in one's own work space, legal security of tenure and freedom from discrimination, risk, danger, doubt, anxiety, or fear of being removed, evicted or prevented to work. Towards this end, the State shall take measures that will ensure legal security of tenure of workplaces, taking into account and including the physical environment, services, processes and systems needed to enable workers to productively and safely perform their work.

Hazardous Work Condition refers to any activity or circumstance where a worker is exposed to any risk which constitutes imminent danger to his or her health or safety. This includes potential risks of disability, injury, illness or death due to the presence of biologic agents, radiation, chemicals, substances, hazardous materials; physical hazards in the work environment; or the nature of work processes performed, or equipment used therein.

Working Hours refers to the period of time within which a worker is required to be on call to perform any and all tasks that may be designated, regardless of whether there are actual tasks being undertaken.

Daily Basis refers to the per day mode of paying a worker as bilaterally agreed upon by the employer and worker.

Monthly Basis refers to the per month mode of paying a worker as bilaterally agreed upon by the employer and worker

"Pakyaw" Basis refers to the pre-contracted wholesale mode of paying a worker as bilaterally agreed upon by the employer and worker.

Social Protection refers to policies, programs, and all other interventions that support communities, households and individuals, both women and men, and aimed at: reducing poverty through the promotion and sustenance of livelihood and employment; preventing, managing and overcoming risks and vulnerabilities throughout their life cycle like protection against hazards and sudden loss of income; and realizing their rights as citizens through their full participation in decision-making affecting or may affect their access to and control over resources necessary to maintain and sustain a decent and secure life.

Social protection schemes shall include labor market interventions, social insurance, basic health care, social welfare and safety nets.

Community Contracting refers to the process of concluding an agreement between a community and a contracting authority, whereby the community (or a section thereof) is responsible for the implementation of the work, and therefore, functions as contractor.

Non-Government Organization (NGO), as defined in R.A. No. 8425, refers to a duly registered non-stock, nonprofit organization focusing on the upliftment of the basic or disadvantaged sectors of society by among others, providing advocacy, training, community organizing, research, access to resources, and other similar activities.

People's Organization (PO), consistent with R.A. No. 8425, refers to a self-help group belonging to the basic sectors or disadvantaged groups composed of members having a common bond of interest who voluntarily join together to achieve lawful common goals.

Informal Economy Workers' Organization refers to a group or groups of informal sector workers, whether formally constituted or otherwise, that are organized with the primary objective of promoting the welfare of workers in informal economy

Chapter II
Coverage, Qualifications, and Accreditation

SEC. 5. Coverage. This shall include individual WIE, as defined in Section 4 of this Act, IE businesses and enterprises, and organizations of workers in informal economy

SEC. 6. Accreditation. There shall be a simple and standard system of accreditation in accordance with the framework and principles of this Act. A one-time accreditation fee of not more than Fifty pesos (P50.00) per individual worker and not less than One Hundred pesos (P100.00) per IE business activity, enterprise, or organizations shall be paid to the municipality or city where they operate or intend to operate.

Any IE worker meeting the necessary accreditation requirements 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 by the WIE. These signify eligibility to avail of development programs, provided, that the poorest and the most vulnerable workers shall be given priority.

Qualified IE business activity or enterprise, or organization of WIE, shall be issued a certificate of accreditation, which shall be released within thirty-six (36) hours upon submission of complete requirements and payment of accreditation fees.

The concerned LGU shall review, revalidate and reassess such accreditation every two (2) years from the date of last accreditation. 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.

A comprehensive database of accredited IE business activities and enterprises shall be developed and maintained. Such database shall take into account the different sub-classifications in terms of geography, premises, sex, ethnicity, vulnerability, occupation, nature of employment, and roles and functions. The database shall also indicate informal businesses which may be categorized as livelihood enterprises, and entrepreneurial or growth oriented informal businesses. Further, the database shall include information on payments collected from IE workers, business activities or enterprises and organizations.

The aforesaid comprehensive database shall form part of the bases of assessment and monitoring of the growtt1 of 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. The Center shall ensure that processing of the business permit of the informal sector business activities or enterprises shall be expedited within one day.

SEC. 7. 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 Workers in informal Economy Local Development Office (WIELDO) referred to in Title I, Chapter IX of this Act. In no case shall the annual dues to be paid by IE workers be more than Two Hundred percent (200%) of the prescribed daily minimum wage as determined by the Regional Tripartite Wages and Productivity Board (RTWPB) in their respective regions or provinces.

These annual dues shall accrue to the respective LGU where they are accredited. The accumulated funds from these dues shall be used for programs to benefit IE workers, business activities, enterprises and organizations, as recommended by the WIELDO. Such programs and disbursement of funds shall be approved by the concerned LGU Council.

Chapter III RIGHTS AND BENEFITS

SEC. 8. Workers in informal economy have the same basic rights accorded to all workers as enshrined in the Philippine Constitution, the Labor Code as amended, and relevant international human rights instruments and labor Conventions. These include, but are not limited to the rights to:

(a) work, which includes the rights to: security at the workplace; make a living by work freely chosen or accepted; and avail of technical and vocational guidance and training programs;
(b) the enjoyment of just and favorable conditions of work,
(c) a living wage and equal remuneration for work of equal value without distinction of any kind, in particular for women who shall be guaranteed equal wages for work similar or equivalent to those done by men;
(d) equal opportunity for promotion, subject to no other considerations than seniority and competence;
(e) safe and healthy working conditions safeguarding general, occupational and reproductive health;
(f) access to basic services including but not limited to affordable medical care, reproductive and other health services, low-cost housing, water, sanitation, electricity and transport;
(g) rest, leisure and reasonable limitation of working hours, and periodic holidays with pay, as well as remuneration for public holidays whenever applicable;
(h) maternity and paternity benefits, as provided for by law;
(i) equal access to education, skills training, and economic resources to develop self-reliance, especially of children and young persons, without any discrimination;
(j) self-organization to collectively negotiate with government and other entities in the promotion of their welfare and advancement of their interests free from any political interference;
(k) an adequate standard of living for workers and their families, sufficient food, clothing, and shelter, and the continuous improvement of such standard;
(l) 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;
(m) accessible social protection, comprising mainly of, but not limited to labor market programs, social security, healthcare and insurance, and social welfare interventions;
(n) equal treatment before the law;
(o) substantial participation in policy and decision-making processes, including access to information and other resources relevant to the promotion and protection of their rights and welfare through organizations that truly represent the sector;
(p) equal access to justice though appropriate mechanisms, including, but not limited to, alternative dispute resolution processes.

SEC. 9. Own account workers as well as marginal economic enterprises in the informal economy, being the working poor's primary instruments to address and overcome poverty, shall be accorded by the State the following rights:

(a) infrastructure support such as farm to market roads, common, affordable and secure workplaces and facilities, merchandising centers, farmers' markets or a Bagsakan with proper storage facilities, and inventory bulk-buying centers;
(b) policy support to promote and protect locally/domestically produced products;
(c) access to markets, including capacity building to access E-marketing facilities;
(d) access to affordable, appropriate and adequate financial services, including, among others, collateral-free and gender-balanced credit at low interest;
(e) access to appropriate and adequate machinery, equipment, and other technologies, with the end in view of increasing productivity and growth;
(f) protection from unjust dislocation from places where economic activities are conducted;
(g) measures against racketeering, extortion, and harassment. by both State and non-State elements; and
(h) fiscal relief, including among others exemption from taxes, fees and other assessments, to be put into place by concerned national agencies and local government units 60 days after the effectivity of this Act;
(i) common workplaces, adequate and affordable marketing facilities such as economic freedom parks, merchandising centers, and inventory bulk-buying centers;
(j) freedom from deprivation of property without valid cause and due process of law.

SEC. 10. Organizations of workers in informal employment, including unions, cooperatives, mutual benefit associations, etc. shall have the rights to:

a. freely function and act as the representatives of their members in policy- and decision-making processes, collective negotiations, and other similar bodies and processes;

b. establish national federations or confederations and the right of the latter to form or join international trade-union organizations;

c. 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. own property, real or personal, for the use and benefit of their organizations and members;

e. sue and be sued under their registered names;

f. undertake all other activities, not contrary to law, designed to benefit their organizations and members;

g. be accorded preferential option in the awarding of contracts for the undertaking of national and local projects funded by either the National or local government units including foreign-assisted projects Guidelines for this shall be developed by the Implementing Rules and Regulations of this Act;

h. notwithstanding any provision of a general or special law to the contrary, the income and properties of legitimate workers' organizations, including grants, endowments, gifts, donations and contributions they may receive from fraternal and similar organizations, local or foreign, which are actually, directly and exclusively used for their lawful purposes, shall be free from taxes, duties and other assessments. The exemptions provided herein may be withdrawn only by a special law expressly repealing this provision.

SEC. 11. Organizing Workers in Informal Economy. WIE shall be encouraged to organize themselves for their mutual benefit and protection, and for other legitimate purposes. Toward this end, the government shall encourage and assist these workers 1n the formation of their self-help organizations, associations, federations and confederations

Government shall encourage the formation of cooperatives among marginalized farmers, fisherfolk, manufacturing, transport, retail, services, and home-based workers to enable members to: purchase inputs at 1ower cost, obtain fair prices for their produce, avail of credit assistance and skills training, and share from collective gains of the cooperatives.

Attention will be given to organizing women and other vulnerable WIE.

SEC. 12. Assistance to Organizations of Workers in the Informal Economy. All concerned national government agencies, government financial institutions and local government units shall include in their plans, programs, projects and activities efforts that will support and address concerns of organizations of WIE.

SEC. 13. Monitoring of growth. The local government units (LGUs) which will supervise the Workers in Informal Economy Local Development Office (WIELDO) as created by Chapter IX of this Act, shall monitor the growth of informal employment business activities or enterprises three (3) years after the enactment of this Act and every three (3) years thereafter. The centralized database referred to in Section 6 shall be the basis of this monitoring.

Chapter IV
Prohibited Acts Concerning Engagement of Workers in the Informal Economy

SEC. 14. Prohibition Against Recruitment or Finders' Fees. Regardless of whether the workers were sourced either through an employment agency or a third party, said workers shall neither be charged nor levied a recruitment fee or finders' fee by the aforementioned employment agency or third party:

SEC. 15. Prohibition Against Hazardous Work and Conditions. Workers shall not be engaged to do any hazardous work, activity or undertaking, or be exposed to hazardous working conditions.

For purposes of this Section, hazardous work or conditions shall include, but shall not be limited to the following:

1. any work which requires workers to render services beyond eight (8) hours without commensurate compensation;

2. any work or activity which eposes the worker to physical, emotional or sexual abuse, or threats of such abuse:

3. any work which involves manual handling or transport of heavy loads;

4. any work in an unhealthy environment. which exposes workers to hazardous substances, gents or processes, or to temperature, noise levels, or vibrations damaging or potentially damaging to their health;

5. any work which requires workers to continuously render service during late nights;

6. any and all forms of slavery or practices similar to slavery, such as the sale and trafficking of persons, forced or compulsory labor, debt bondage and serfdom;

7. any use, procuring or offering of the worker for prostitution or pornography;

8. any use, procuring or offering of the worker for the commission of any offense or crime, particularly for the production, trafficking, or sale of narcotic drugs and substances as defined in the Dangerous Drugs Act;

9. any other type of work or activity which, by its nature or the circumstances in which it is carried out. is likely to jeopardize the health. safety, or morals of the workers; and

10. any other type of work, activity, condition or undertaking that maybe hereinafter be defined as hazardous by the Department of Labor and Employment.

SEC. 16. Prohibition Against Interference and Coercion. Any person is prohibited from committing any of the following acts of interference and coercion:

1. preventing any worker from upholding or exercising his/her rights;

2. preventing any worker from joining or assisting organizations for purposes not contrary to law;

3. 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;

4. harassing, threatening, coercing or intimidating any worker that result in preventing him or her from performing his or her duties and functions;

5. transferring, penalizing or terminating the services of a worker without valid or legal ground; and

6. other acts calculated to diminish the independence and freedom of workers' organization to direct its own affairs.

Chapter V
SOCIAL PROTECTION

Social protection as defined in Section 4 of this Act shall have the following components:

SEC.17. Labor Market Programs. The State shall provide adequate resources to sustain labor market programs following decent work standards, including emergency and guaranteed employment schemes, to ensure livelihood security and prevent or mitigate the effects of sudden Joss of income, in the context of sustainable development and developing local economies in both rural and urban areas.

1. The State shall ensure that these schemes shall be labor-intensive, developmental, sustainable, and engaging both women and men, youth and older people in building infrastructure, socialized housing, social forestry focusing on the planting of traditional trees, organic farming, and food production programs.

2. LGUs shall encourage and provide incentives to constituents who want to engage or are engaged in sustainable and/or organic farming. All idle private or public lands within their jurisdiction shall be cultivated or planted with organic food crops like corn, root crops or vegetables. Relevant LGUs must allocate their local funds for mangrove reforestation and prohibit conversion of any mangrove forest to residential, commercial or industrial use.

3. In pursuit of decent work, the State in all its labor market programs shall adopt a comprehensive framework and plan on occupational safety and health that covers all workers, formal and informal, and implemented at both national and local levels.

4. The State shall encourage entrepreneurship among the (disadvantaged, especially women and young people in informal employment, through simple and efficient procedures and the provision of adequate and affordable marketing facilities such as those provided for by Section 9 (i) of this Act.

5. The State through LGUs shall promote community contracting to give preference to WIE and their organizations in accessing employment opportunities and related benefits.

SEC. 18. Social Security. - In the spirit of promoting social justice, the State shall endeavor to extend social security protection to all workers and their beneficiaries against the hazards of disability, sickness, maternity, old age, death, unemployment, and other contingencies resulting in loss of income or financial burden.

1. The Social Security System (SSS) shall cover all workers, particularly the working poor who mostly belong to the informal economy. The SSS, in consultation with informal workers' organizations shall customize products and services for them that are accessible and affordable. In the interest of equity, the State shall cover what should have been the employers' share for contributions of informal workers had they been formally employed.

2. The SSS shall also develop schemes involving government subsidies and sponsorship programs to enable those who cannot afford to enroll and sustain their membership

3. To achieve universal coverage, the SSS shall facilitate the accreditation of cooperatives, women's and people's organizations, trade unions and \NIE associations, microfinance and micro-insurance institutions and similar groups as collecting agents of premiums and facilitators of claims with the least burdensome conditions and with appropriate incentives. It shall develop effective partnerships with these organizations.

4. The SSS Commission, in the spirit of democracy, transparency, accountability, and equity, shall be required to conduct regular consultations with and provide information and reports to its membership. 8otr1 formal and informal workers shall be represented in the SSS Commission, where gender ba1ance shall also be observed.

5. The SSS in cooperation with other relevant national agencies and LGUs, shall support indigenous and community-based social protection schemes such as damayan, tulungan, saranay, small mutual benefit associations and micro-finance organizations initiated or participated in by WIE so that these can be sustained, systematized and upscaled.

6. An enabling environment for such organizations and schemes shall be developed. Toward this end, the Insurance Commission (IC) a:nd other relevant regulatory agencies are hereby mandated to review its policies and framework to make them more developmental and supportive of the alternative schemes outlined above.

SEC. 19. Social Security for Volunteers of Government instrumentalities. Volunteer workers of government instrumentalities as defined in Sec 4 of this Act, shall be covered by the Government Service Insurance System (GSIS) and be entitled to at least a minimum package of customized product, services and benefits to be designed with their participation and with adequate government subsidy.

SEC 20. Health Care System and Financing. The State shall establish a comprehensive and integrated healthcare system that guarantees provision, oil service by duly accredited and adequately furnished health facilities, and appropriately educated and rationally compensated health personnel to underserved areas all the way down to the barangay level. Provided that,

such healthcare system shall include reproductive health services, and provided finally, that priority in the delivery of such services shall be the poor and marginalized.

The State shall ensure adequate resources to finance health care for all, by, among others, progressively increasing the budget for health care until it meets the World Health Organization recommendation of at least four percent (4%) of the Gross Domestic Product.

SEC. 21. Universal Health Insurance. All citizens of the Philippines shall be covered by the National Health Insurance Program as provided for in RA 0606, The National Health Insurance Act of 2013. To achieve this, PhilHealth with the participation of all stakeholders shall critically review its current operations. It shall also ensure the provision of a minimum benefit package which shall be periodically upgraded to meet the goal of universal coverage which is affordable, accessible and appropriate to the needs of all.

1. Government subsidies for PhilHealth sponsorship programs shall be expanded to cover not only the ultra poor but also the working poor who mostly belong to the informal economy. For the working poor, what should have been contributed by employers if they were enrolled as formally employed shall be covered by government subsidies in the interest of equity.

PhilHealth programs for indigents and the working poor shall be expanded and improved in order to develop effective partnerships with organized groups, especially those composed and led by informal workers, women, senior citizens, persons with disabilities, persons with HIV and AIDS and other marginalized sectors, to better serve increasing numbers of those in need. Organized groups with at least 500 members shall be allowed to be collecting agents of premiums with incentives.

2. PhilHealth shall immediately extend its services to underserved areas by facilitating and accelerating accreditation of hospitals and clinics, and by ensuring that these service providers remain viable through immediate reimbursement.

3. PhilHealth, in accordance with its guiding principles, shall promote maximum community participation and shall recognize the roles and strengths of the public and private sectors in healthcare, including people's organizations and community-based health organizations. PhilHealth shall extend appropriate recognition, technical assistance, and other forms of material and non-material support to mutual benefit associations, microfinance organizations, community-based healtf1 insurance and other indigenous schemes initiated and participated in WIE.

4. PhilHealth, with maximum participation of all stakeholders, shall review its benefit package in order to cover WIE, senior citizens, indigenous peoples, persons with disabilities persons with HIV and AIDS and other marginalized groups sustainably; emphasize preventive measures such as annual physical and medical check-ups and other outpatient services, coverage of workplace -related injuries and illnesses affecting both formal and informal workers, treatment of chronic ailments such as hypertension and diabetes; and inclusion of hospital-based reproductive health services, commodities and supplies.

CHAPTER VI
Security in the Workplace of Workers in Informal Employment

Security in the workplace as defined in Sec. 4 of this Act shall involve the following:

SEC. 22. Designation of Workplaces. The concerned Local Government unit (LGU), in coordination with their respective WIELDO, and after consultation with WIE, affected communities, and other relevant groups, shall identify and designate viable workplaces for informal workers; routes, terminals and specific lanes for small transport workers; and design

a system of assigning these to accredited informal workers. These may include markets and vacant areas near markets, vacant public spaces and other spaces which may be designated as allowable workplaces for informal workers.

Should concerned WIE prefer to conduct their economic activities within an identified private property, the LGU shall negotiate with the owner of the property for the possible use of such property as WIE's workplace. The LGU shall likewise encourage and assist the parties in forging a possible memorandum of agreement.

The LGUs, within 60 days from the effectivity of this Act, shall conduct a survey to identify viable vacant areas suitable for routes, terminals, lanes, productivity and merchandising centers and workplaces for use of WIE in their respective localities.

The LGUs shall, within 90 days after the survey and based on recommendations of WIELDO and consultations with concerned WIE, affected inhabitants and relevant sectors, pass an ordinance designating such workplaces.

SEC. 23. Protection of Agricultural Lands and their Occupants. The LGUs, in coordination with the Department of Agrarian Reform (Dar) shall protect all agricultural lands from conversion or reclassification to non-agricultural uses. Special Economic Zones Sites, Tourist Sites or Socialized Housing Sites shall not be allowed in irrigated and irrigable lands.

The LGUs shall include in their Comprehensive Land Use Plan (CLUP) all the agricultural lands as protected zones.

The LGUs shall make an inventory of all agricultural lands under leasehold and shall enforce the security of tenure of tenants, right of redemption and right of first refusal on the subject land. The LGUs shall provide assistance and protection to tenants in agricultural lands whose landowners violate the provisions of RA 3844 or the Agricultural Land Reform Code. Tenants shall not be evicted based on unilateral termination of the tenancy relationship by landowners.

SEC. 24. Use of Municipal Waters, Beach Fronts, and Foreshores. Municipal waters shall be used exclusive for marginalized fisherfolk and allied workers. They shall be given priority in the granting of permits and licenses for the establishment of fish pens, fish corrals, fish traps, shellfish culture or similar structures for culture of marine products within the municipal waters.

Beach fronts and foreshores are public domain and may be used by any person especially marginalized fisherfolk. LGUs shall ensure that no beach within their jurisdiction is exclusive for the use of resort guests or private persons.

LGUs in coordination with the National Housing Authority (NHA) shall establish and create fisherfolk settlement areas on private or public lands, specifically those near the fishing grounds, for municipal fisherfolk with security of tenure.

The consent of the affected fisherfolk shall be required before an area can be declared a marine protected area or a fish sanctuary to the national or local government unit.

SEC. 25. Policy on Eviction and Demolition. WIE shall not be evicted from their homes and workplaces without legal round as provided for in Republic Act 7279 or the Urban Development and Housing Act of 1992. In cases where eviction or demolition is warranted under Section 28 of RA 7279, the same shall be conducted upon compliance of the following:

1. notice upon the affected persons or entities at least thirty (30) days prior to the date of eviction or demolition;

2. adequate consult8tions on the matter of resettlement with the duly designated representative of the families to be resettled and the affected communities in the areas where they are to be relocated.

3. presence of local government ofi1cials or their representatives during eviction or demolition;

4. proper identification of all persons taking part in the demolition;

5. execution of eviction or demolition only during regular office hours from Mondays to Fridays and during good weather, unless the affected families consent otherwise;

6. no violence or unreasonable force shall be committed against women, children, senior citizens, persons with disabilities and other identities similarly situated in the course of eviction or demolition.

7. non-use of heavy equipment for demolition except for structures that are permanent and of cemented material;

8. proper uniforms for members of the Philippine National Police (PNP) who shall occupy the first line of law enforcement and observe proper disturbance control procedures; and

9. adequate relocation whether temporary or permanent; provided. however, that in cases of eviction and demolition pursuant to a court order involving underprivileged and homeless citizens, relocation shall be undertaken by the local government unit concerned and the National Housing Authority (NHA) with the assistance of other government agencies within forty-five (45) days from service of notice of final judgment by the court, after which period the said order shall be executed; provided, further, that relocation should not be possible within the said period, financial assistance in the amount equivalent to the prevailing minimum daily wage multiplied by sixty (60) days shall be extended to the affected families by the local government unit concerned.

SEC. 26. Policy on Confiscation of Materials and Impounding of Vehicles. In cases where demolition or eviction is warranted, the person who conducts the same shall issue an itemized receipt of all products, goods, and other materials seized from the affected WIE.

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

SEC. 27. Policy on Relocation of Vending Sites. Before any public market is closed, sold or demolished, all market vendors shall first be relocated by the LGU to a temporary or new public market. Notice of the intention to close, sell or demolish any public market shall be made to all concerned vendors at least sixty (60) days before the actual transfer or relocation to another market site. Within sixty (60) day period after issuance of notice, the LGU shall conduct consultations with affected vendors on the selection of relocation site and implementation of the relocation.

Pending the designation of viable vending areas, vendors occupying public places not previously designated as vending sites shall be provided with viable temporary sites by the LGU. Notice of temporary transfer shall be given to the vendors at least fifteen (15) days before the actual transfer. This shall likewise apply to vendors granted with permits but whose workplaces are withdrawn from the list of allowable vending sited. Any change in the list of allowable 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.

SEC. 28. Policy on Relocation of Terminals. Designated terminal for tricycles and pedicabs shall not be arbitrarily relocated without prior notice and consultation with small transport groups, affected community and other relevant sectors. Provided, that relocation of terminals can only be effected through an Ordinance. Provided further that the enactment of such ordinance, notice of intention to relocate terminals shall be made to all small transport groups and affected community at least sixty (60) days before the actual relocation.

Chapter VII
Special Allocations of Development Initiatives

SEC. 29. Special Allocations of Development Initiatives. - The development of initiatives for WIE shall form part of an integrated and convergent plan to address poverty and vulnerability. The national and local government units shall work together in support of such plan to maximize impact of meager resources.

1. At least ten percent (10%) or the annual national budget shall be appropriated for programs and services for WIE. These programs shall be implemented based on the principles of merit and equity of the Department of Labor and Employment (DOLE) at the national level and the WIELDO at the local level.

2. For purposes of program implementation, the DOLE shall manage 30%, and WIELDO, 70% of the funds from the General Annual Appropriations Act (GAA) as provided for in the previous paragraph this section.

3. The Implementing Rules and Regulations (IRR) of this Act shall determine additional guidelines on, among others, tt1e use of such finances to ensure that programs and services truly benefit WIE.

SEC. 30. Sourcing and Adopting Development Initiatives. - Other sources of funds to be used exclusively for initiatives addressing the needs and empowerment of WIE shall be identified in the IRR of this Act and may include the following

1. Government financial institutions and mechanisms such as the Land Bank of the Philippines (LBP), Development Bank of the Philippines (DBP), National Livelihood Support Fund (NLSF), and Quedan Rural Credit and Guarantee Corporation shall set aside a specific percentage of their loan portfolio to informal economy enterprises and shall set aside a specific priority to women-led informal economy enterprises by providing loans at an interest of not more than twelve percent (12%) per annum consistent with the spirit of RA 7882, An Act Providing Assistance to Women Engaging in Micro and Cottage Enterprises.

2. The Department of Social Welfare and Development (DSWD) shall strengthen its Self-Employment Assistance Program (SEAK) to uplift and empower women in poverty, particularly those in the informal economy, by adopting an integrated, credit-plus approach to micro-finance.

3. The Small Business Guarantee and Finance Corporation (SBGFC) created under Republic Act (R.A) No. 8289 shall assist in the sourcing and adopting of development initiatives for competitive enterprises in terms of finance, technology, production, management and business linkages. It shall also provide and promote, develop and widen in both scope and service reach various alternative models of financing for informal economy business activities or enterprises including but not limited to: direct and indirect project lending, venture capital, financial leasing, secondary mortgage and/or rediscounting of loan papers to such business activities or enterprises, and crop production financing. Further, the Corporation shall guarantee loans obtained by the qualified worker or business activity or enterprise, under such terms and conditions adopted by its Board.

4. The Department of Trade and Industry (DTI) shall contribute to enable the development of a business environment that shall include initiatives such as supply chain and market outlets, and schemes to develop Special Credit Windows to upscale informal enterprises.

5. The Department of Science and Technology (DOST) shall support technology-related initiatives of workers and enterprises in the informal economy.

SEC. 31. Exclusivity of Government Programs. – The government shall ensure that programs of financing, grants, and other similar incentives meant to benefit WIE shall be exclusively extended to accredited workers, business activities, enterprises or organizations in the informal economy.

SEC. 32. Exclusivity of Benefits. – The exemptions and other benefits provided in this Act shall apply for a period of not exceeding ten (10) years from the date of accreditation of such IE worker, business activity, enterprise, or organization.

Chapter VIII
Informal Economy Development COUNCIL (IEDC)

SEC. 33. Creation of the Informal Economy Development Council (IEDC). - There is hereby created an Informal Economy Development Council, hereinafter referred to as the IEDC, which shall be an agency within the Department of Labor and Employment (DOLE). The DOLE shall institute appropriate reforms within its structure programming and other processes, including adjusting its human resource capabilities to ensure that WIE-focused programs will be efficiently and adequately implemented to address the needs of these workers.

The IEDC shall be constituted within thirty (30) days after the approval of the IRR of this Act.

SEC. 34. Mandate and Functions of IEDC. - The mandate and functions of IEDC shall include the following:

1. Develop and ensure implementation of a simple system of accreditation of the IE workers, enterprises, and organizations in accordance with the standards and provisions of this Act;

2. Provide guideline for the implementation by LGUs of a fair and credible system of evaluation, accreditation, review and assessment, merit promotion, rendering of grant and incentive awards and other policies relative to the effective and efficient implementation of this Act;

3. Develop and ensure implementation of annual, long-term and medium-term plans for the informal economy, the last of which should form part of the Philippine Development Plan towards institutionalizing comprehensive, rights-based, gender-responsive and child-friendly programs and policies for the IE;

4. Develop and ensure effective implementation of labor standards covering WIE as provided for by this Act,

5. Develop and implementation of gender-based monitoring and evaluation mechanisms, efficient and effective programs and policies, and gender-responsiveness of interventions toward harnessing the full potentials of women WIE;

6. Coordinate with LGUs for the development and implementation of periodic evaluation of all accredited IE members, enterprises and organizations – taking into account their accomplishments, capabilities and potentials. The results of such evaluation shall be used as bases for accreditation, the grant of awards and incentives, training and retraining;

7. Establish a performance appraisal system for all accredited workers, enterprises and organizations in this informal economy which shall be the basis for granting or renewal of incentives to ensure their active participation and involvement.

8. Ensure effective participation of WIE and their organizations through the establishment of regular consultative mechanisms and processes. Annual national, regional and provincial consultations among the organizations of WIE shall be conducted to determine specific issues and problems affecting specific WIE sub-sectors, and monitor and evaluate implementation of programs and policies.

9. Establish and develop a centralized and sex-disaggregated database system to effectively guide policy formulation and implementation relative to the WIE. The databank shall be available for public use and shall include but not limited to the following:

i. Sex-disaggregated statistical profile of WIE based on age, location, type of work, average monthly incomes, work hours, and other relevant statistical information.

ii. Sex-disaggregated data on information enterprises, including capitalization and sources of capital number and status of workers, average incomes,

iii. List and contact information of government and non-government organizations (NGOs) that provide educational, socio-economic, legal, and other services to WIE;

iv. Inventory of resolved and pending cases involving activities of WIE

v. Database on the needs and problems of women and children in the informal economy nationwide aimed at strengthening policies and programs against child labor; and

vi. Compilation of international instruments, existing laws and programs affecting the interest and welfare of WIE and information on how these workers may use or avail of such instruments, laws and programs

10. Develop and ensure implementation of a communication plan including massive information dissemination activities targeting WIE, their enterprises and organizations, in the various regions towards a better understanding and appreciation of the benefits this Act may bring them;

11. Consistent with Section 2 (b) of this Act, to develop and ensure implementation of a comprehensive plan to eliminate child labor;

12. Monitor and coordinate interpretation of policies and programs through the Regional IEDC offices;

13. Coordinate and harmonize all informal economy-related policies, programs, projects and activities of various government agencies towards greater efficiency and effectiveness;

14. Monitor the LGU-generated incomes from informal employment through the LGUs periodic report submitted to the Council.

15. After consultations with WIE organizations, develop and ensure implementation of policies and programs that will address specific needs and ensure right of WIE subsectors;

16. Develop and ensure implementation of accessible and just conflict resolution and adjudication systems and mechanisms to promote dialogue, conciliation, mediation and redress of grievances to protect the rights of WIE; and

17. From time to time call on the participation of any government agency or bureaucracy in its deliberations especially when such agency is direct or indirectly concerned with or affecting the growth and development of the IE.

SEC. 35. Composition. - The chair of the IEDC shall be the secretary of Department of Labor and Employment. IEDC members may elect from among themselves a Vice-Chair to preside over meetings in the absence of the Chair. The members shall be the following:

1. Secretary of the Department of Trade and Industry (DTI)

2. Director General of the National Economic and Development Authority (NEDA)

3. Secretary of Department of Agriculture (DA)

4. Secretary Social Welfare and Development (DSWD)

5. Secretary of the Department of Interior and Local Government (DILG)

6. Chair of the Commission on Human Rights (CHR)

7. Lead Convenor of the National Anti-Poverty Commission (NAPC)

8. Secretary of Department of Transportation and Communication (DOTC);

9. Chair of Social Security System (SSS)

10. Chair the Philippine Health Insurance Corporation (PhilHealth)

11. Chair of the Philippine Commission on Women (PCW)

12. Secretary of the Department of Public Works and Highways (DPWH)

13. One (1) representative from the private sector at large, all Filipino citizens, proven to have been active in assisting the informal economy workers.

14. One (1) representative each from the League of Cities, League of Municipalities, League of Provinces and League of Councilors;

15. The incumbent NAPC Informal Sector Sectoral Representative

16. At least 30% of total membership of IEDC shall come from organizations of workers in the informal economy, as well as People's Organizations (POs), NGOs, and women's organizations actively working with and for the rights of WIE provided that regional and sub-sectoral representation shall be ensured. Provided further, that at least 40% of the 30% are women. Guidelines for the selection of non-government IEDC members, including processes and mechanics shall be determined by the IRR of this Act.

Representatives from the private sector, NGOs and WIE organizations shall serve as IEDC members for a term of three (3) years without re-election and shall be subject to terms and conditions provided for by the IRR.

The private sector, workers in informal economy and women's organizations' representatives to the IEDA shall be entitled to receive per diem of at least Two Thousand Five Hundred Pesos (P2,500) per meeting.

SEC. 36. IEDC Meetings. – The IEDC shall meet once every two (2) months and may call for special meeting as the need arises; provided, that the frequency of such special meetings shall not exceed four (4) times annually.

SEC. 37. Initial IEDC Funds. – Ten million pesos (P10,000,000) shall be allocated from the Presidential discretionary fund for the initial operating expenses of the IEDC.

SEC. 38. Executive Committee of the IEDC. – An Executive Committee of nine (9) members shall be convened. Besides the Chair and Vice-Chair, the following shall be elected by the IEDA members from among themselves their duly designated alternate representatives; four (4) representatives of WIE organizations, one (1) from a national government agency, provided, that at least three (3) members of the Executive Committee are women.

The Executive Committee shall have the authority to act for in behalf of IEDC during intervals of meetings, and only within the specific authority granted by the IEDC.

SEC 39. IEDC Secretariat. The following secretariat funds shall be integrated in the DOLE secretariat functions:

(a) Prepare and recommend, in coordination with the LGU and other government agencies, annual, medium-term, and long-term Informal Economy Development Plans for approval of the IEDC;
(b) Coordinate the preparation of position papers and background materials for discussion or approval during IEDC and its Executive Committee meetings;
(c) Assist in coordinating and monitoring policies, programs and activities of all government agencies with respect to the implementation of this Act;
(d) Prepare, collate, and integrate all inputs to the IEDC's yearly report on the status of WIE, business activities or enterprises in the country, or other matters as directed by the IEDA;
(e) Submit periodic reports of IEDC on the progress and accomplishments of its work programs; and
(f) Perform other secretariat and administrative functions as authorized by the IEDC or its Executive Committee.

SEC. 40. Regional and Provincial IEDC Officers. – The DOLE Regional and provincial offices (NEDA Resolution) shall have Regional and Provincial IEDC Officers who shall be appointed by the IEDC and shall have functions that include: monitoring and coordinating of IEDC initiatives in the regions and Provinces; evaluation of policies programs for workers informal economy; providing technical assistance in the development of local plans and programs; as well as other administrative functions necessary for the success of IEDC initiatives in their jurisdiction.

IEDC Regional Officers shall have automatic seats in all Regional Development Councils (RDCs).

SEC. 41. Rationalization of Programs. IEDC shall conduct continuing review of government programs for the poorest of the poor and the WIE and submit to Congress and the President of the Philippines a report theron together with its policy recommendations.

Chapter IX
Workers in Informal Employment Local Development Office (WIELDO)

SEC. 42. Workers in Informal Employment Local Development Office (WIELDO). – the Workers in Informal Employment Local Development Office (WIELDO) shall be established in every city and municipality to perform functions that shall include but not limited to the following:

(a) Prepare an overall development plan and work program that will address the needs of the WIE, prioritizing the poorest and most vulnerable, and incorporate them in their respective city, municipal and barangay development plans.
(b) In consultation with WIE organizations in the area, identify specific needs of various IE subsectors and recommend appropriate measures to be taken.
(c) Ensure accreditation of WIE, especially those with assets of P150, 000 and below, to facilitate their immediate access to benefits and services.
(d) Monitor, assess and evaluate implementation of the plans and programs as well as the performance of informal workers, their economic activities and their organizations in the areas;
(e) Lead in the local implementation of Chapter Vi (Security on the Workplace of WIE) of this Act;
(f) Coordinate with other local offices, private sector and other organizations with existing programs for WIE towards integration and convergence;
(g) Conduct education and training programs that will raise their consciousness especially on but not limited to workers', women's and children's rights; provide new ideas especially to those with the least assets and formal education, and develop or upgrade technical, entrepreneurial and leadership skills WIE;
(h) Provide technical supports and facilitate access to credit, market, technology, social protection schemes, and training for WIE;
(i) Train pools of community trainers in business counseling and awareness-raising on occupational safety and health hazards, risks and social protection;
(j) Support organizing activities among WIE;
(k) Establish sex-disaggregated databank on human resources and skills registry to be used as tools for LGU planning and budgeting;
(l) Provide offices and other necessary resources to support organizing, advocacy, training and other activities of local organizations of WIE;
(m) Conduct specialized training such as negotiation skills and conduct of time and motion studies to determine proper wages.
(n) Provide services, which shall include but not limited to counseling, conciliation, mediation, and legal assistance for the furtherance of this Act, prioritizing those with the least access to justice; and
(o) Ensure that the LGU is capacitated to undertake and implement rights-based and gender-responsive programs for WIE.

In the performance of WIELDO's functions, the principle of preferential treatment to the poorest and most vulnerable shall be observed.

SEC. 43. Composition. The Local Chief Executives (LCEs) shall be the primary overseers of WIELDOs operations. The IRR of this Act shall provide for WIELDOs composition provided that, informal workers' representatives shall form at least fifty percent (50%) of WIELDO's decision-making body. Provided further, that IE representatives shall not be less than five (5), and provided finally that at least forty percent (40%) of the members of WIELDOs decision-making body are women. Other relevant guidelines on WIELDO's operations shall be included in the IRR of this Act.

SEC. 44. Local Government Unit Informal Economy Development Fund (LGU-IEDF). – An Informal Economy Development Fund shall be established by every municipality and city. Such fund will be supervised and managed by the concerned LGU through the WIELDO but subject to audit by the Commission on Audit (COA).

For the establishment and initial operations of WIELDO, each LGU shall allocate at least three percent (3%) of their twenty percent (20%) Development Fund from their IRA HB 768 Section 38 with modifications.

Thereafter, the LGU-IEDF shall be funded using:

(a) Accreditation and registration fees and annual dues paid by individual workers in the informal economy, their livelihood activities, and organizations and associations as provided for by Sections 6 and 7 of this Act.
(b) Shares from the 70% of at least 10% funds from the Annual General Appropriations Act as provided for by Chapter VII Section 29 (a) and (b) of this Act; and
(c) Annual allocations from LGUs Development Fund the percentage of which shall be determined by LGUs.

Following the principle of merit and equity, LGUs that fulfill such allocations may receive additional assistance from the national government as recommended by IEDC, provided, that they have formulated their local development plan for WIE.

SEC. 45. Additional Sources of Funds. – The following may be tapped by LGUs as additional sources of funds for WIELDO initiatives:
(a) at least fifty percent (50%) of fees and annual dues collected from small transport – for programs for workers in the small transport industry.
(b) at least fifty percent (50%) of collected fees and annual dues from business establishments and entrepreneurs falling under the category of informal sector – for programs focusing on micro-entrepreneurs and their workers;
(c) at least fifty percent (50%) of collected fees and annual dues from small vendors – for programs focusing on vendors;
(d) at least fifty percent (50%) of fees and annual dues collected from marginalized fisherfolks – for programs focusing on fisherfolk;
(e) at least fifty percent (50%) of funds from the Philippine Amusement and Gaming Corporation (PAGCOR) and Philippine Charity Sweepstakes Offices (PCSO)

TITLE II
EMPLOYMENT OF WORKERS IN INFORMAL ECONOMY

Chapter I
Requisites for Employment Agreement

SEC. 46. Minimum Standards. – All working arrangements entered into by WIE shall be in accordance with the minimum applicable labor and social standards as contained in Title II of this Act.

These standards shall be strictly enforced in informal economic enterprises supplying or doing outsourcing work for exporters, investors-locators in export processing zones of industrial parks licensed by the Export Processing Zone, and domestic formal sector manufacturers and retailers-distributors.

For workers engaged by independent informal economic enterprises, DOLE, in coordination with IEDA, shall audit the capacity of these enterprises to comply with these standards. Those incapable of meeting the standards shall be assisted to upgrade their capacity to improve their businesses, as well as the capacity to comply with relevant labor and social standards.

SEC. 47. Provisions of Employment Agreement. The employment contract shall be in written form. However, the absence of a written agreement does not mean the absence of an employment relationship. As a matter of right, WIE can insist on a written agreement based on minimum standards.

In cases wherein minors are contracted with the said negotiated contract shall be signed on by his/her behalf by either parent or legal guardian, with the expressed written content of the said minor.

In cases wherein illiterate workers are contracted with, the said contract shall be explained to the worker concerned and attested to by a representative from the LGU or an elected Barangay official in the city or municipality where the worker is designated to work.

Each of the contracting parties shall be provided with a full set of the duly signed agreement which shall include the following basic provisions:

(a) working arrangement/mode;
(b) duration of employment;
(c) compensations, which shall not be below the minimum standard, and mode of payment;
(d) computation of contributions for social security and medical insurance including for those who fall under DOLE Department Order No. 5;
(e) duties and responsibilities;
(f) working hours and day-off schedules;
(g) living quarters or sleeping arrangements (for live-in workers);
(h) the date, term and mode of delivery or date of completion;
(i) minimum of twenty percent (20%) down payment for labor cost and services and minimum of 50% for inventory of raw materials used in the production for homeworkers per DOLE Order No.5.

Minimum standard compensation referred to above shall be determined by the Regional Wage Boards per subsector of WIE. In the case of piece rates, this shall be based on the conduct of time and motion studies facilitated by the DOLE Bureau of Working Conditions. While there are no standardized rated for workers in informal economy jobs, the basis of computation shall not be below the applicable minimum wage of the region where they are covered.

Enforcement of the standard compensation rates shall be in accordance with the capability to comply as explained in Section 40 of this Act.

SEC. 48. Payment of Wages – Payment derived from negotiated agreement shall be made directly to the workers. No deductions from such payments shall be made by the employer except those provided for by law. The expressed written consent of the worker shall be first secured before deductions are made.

No parent, guardian, relative or any other person shall be allowed to take a loan against the compensation of his or her relative-worker without the express written consent of the concerned worker. Neither shall a worker of minor age be mandated to work on payment of loan or liability incurred by a parent, guardian, relative, or any other person.

Chapter II
IE Workers of Minor Age

SEC. 49. Allowable Employment of Workers of Minor Age – Children fifteen (15) years up to seventeen (17) years of age may be employed provided, that parental or legal guardian consent is presented and attested to by any representative of the LGU or duly elected Barangay official where to work is to be done. In no instance, however, shall children below fifteen (15) years old be engaged in whatever form of productive services.

Further, workers of minor age shall not be allowed to render work for money for more than four (4) hours, five (5) days a week, exclusive of one (1) hour break for breakfast or lunch whichever is applicable.

TITLE III
FINAL PROVISIONS

SEC. 50. Penal Provision:

(a) Any person who shall willfully interfere with restrain or coerce a worker in the exercise of his or her rights or shall in any manner commit any act in violation of any of the provisions of this Act shall, upon conviction, be punished of a fine of not less than Twenty Thousand Pesos

(P20, 000) or imprisonment of one (1) to six (6) years or both fine and imprisonment at the discretion of the Court.
(b) If the offender is a public official or, the Court, in addition to the penalties provided in the preceding paragraph, may impose the additional penalty of disqualification from public office.
(c) Any person who violates section 26 of this Act (Policy on Confiscation of Materials and Impounding of Vehicles) shall be liable. Nothing herein shall prohibit the aggrieved WIE from initiating a criminal or civil action against the responsible person or officer applicability.
(d) Failure to implement Section 27 and 28 of this Act (Policy on Relocation of Vending Sites and Policy on Relocation of Terminals) shall render the responsible official/s administratively liable pursuant to Republic Act 7160 and other pertinent laws and criminally liable whenever applicable.
(e) In the case of a private institution/company found to be violating any provision of this act, it shall be subject to additional penalty ranging from suspension or revocation of business license at the discretion of the Court.

SEC. 51. Implementing Rules and Regulations (IRR) – The Implementing Rules and Regulations (IRR) of this Act shall be formulated by a drafting committee composed of representatives of offices that will be members of IEDC and WIE organizations provided that, at least 30% of committee members are women. Said committee will start work on the IRR within three (3) months after the effectivity of this Act and finish within six (6) months thereafter.

SEC. 52. Separability Clause – If any provision of this Act is declared unconstitutional or invalid, the provisions not affected shall continue to be in full force and effect.

SEC. 53. Repealing Clause – All laws, decrees, orders, rules and regulations or other issuances inconsistent with the provisions of this Act are hereby repealed, amended or modified accordingly.

SEC. 54. Effectivity – This Act shall take effect fifteen (15) days after its publication in at least two (2) newspapers of general circulation of the Official Gazette, whichever comes first.

Approved,