

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila



THIRTEENTH CONGRESS
Second Regular Session

House Bill No. 5321

Introduced by **HON. IGNACIO T. ARROYO**

EXPLANATORY NOTE

The State shall promote a just and dynamic social order that will ensure the prosperity and independence of the nation and free the people from poverty through policies that provide adequate social services, promote full employment, a rising standard of living, and an improved quality of life for all. (Section 9, Article II of the 1987 Constitution)

While there may be existing laws touching on the need of the poor, the jobless, the homeless and the landless as part of an overall national strategy to alleviate poverty, this proposed legislation puts in sharp focus by stating in unequivocal terms what is felt to be the basic irreducible rights of the poor as essential requirements towards poverty alleviation, rights without which it is pointless to talk about poverty reduction. These rights are: the right to employment, the right to food, the right to shelter, the right to free quality education and the right to free healthcare medicine – the “minimum standards of decency” which the poor can demand as a matter of right and which the government must do as a matter of obligation.

The attached bill recognizes that, under the present economic environment, the top priority should be the creation of jobs or creation of employment opportunities. The lack of employment appears to be the core of the problem of poverty. Jobs mean income and income translates into access to food, shelter, land, education and healthcare services. This means income spending which means payment and collection of taxes which in turn means more services to the poor. The Government, therefore, must create jobs must establish employment opportunities for the poor.

In the end, to make democracy work, the government must firstly work for the poor, the greater majority of the people. We can only have strong democratic institutions when such greater majority of the people are given the opportunities to participate in the benefits, growth and development of a democratic society. Only when the poor are economically empowered will they be able to participate in the democratic process of setting national goals that affect their daily lives.

In view of this, the immediate approval of this bill is earnestly requested.


IGNACIO T. ARROYO

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AN ACT
PROVIDING FOR A MAGNA CARTA FOR THE POOR

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

SECTION 1. *Short Title* – This Act shall be known as the “Magna Carta for The Poor.”

SECTION 2. *Declaration of Policy* – It is the declared policy of the State to uplift the standard of living and quality of life of the poor and provide them with sustained opportunities for growth and development. It is likewise the policy that the concept of poverty alleviation is a government responsibility that primarily requires the creation and expansion of employment opportunities geared towards providing decent and productive employment to the poor

To attain the foregoing policy:

- (1) Government must invest heavily in anti-poverty programs to empower the poor to enable them participate in the country’s growth and development;
- (2) All government departments, agencies and instrumentalities must provide full access to government services at all levels for the poor; and

- (3) Government interventions must be done now to address the genuine concerns of the poor – which are now concerns for daily survival – while long term strategies and solutions for the economic empowerment of the poor are being put in place.

SECTION 3. Definition of Terms. –

- (a) “Poor” shall refer to natural persons whose income or combined household income falls within the poverty threshold as defined by the National Economic Development Authority and who at the same time are not owners of real property.
- (b) “Hazardous or danger zones” refers to areas which when occupied for residential purposes actually poses a danger to the life and safety of the concerned residents or of the general community.
- (c) “Poor Organization” refers to any recognized or accredited association as the sole representative organization of the poor in the community.

SECTION 4. *Basic Rights of the Poor.* – The poor shall have the following rights the enjoyment of which is an essential requirement towards poverty alleviation: (1) The right to employment; (2) The right to food; (3) The right to free quality education; (4) The right to shelter; and (5) The right to free health services and medicine.

The government shall provide the requirements, conditions and opportunities for the full enjoyment of these rights of the poor as a matter of duty and obligation, and which the poor can demand as a matter of right.

SECTION 5. *The Right to Food and Food Assistance* – The Department of Social Welfare and Development (DSWD) shall develop a program of free food to the poor or a system of food assistance/subsidy to help the poor meet their minimum food necessities.

The DSWD is hereby authorized to solicit donation, aids or grants, in cash or in kind from whatever source, to meet the demands of this basic right of the poor. The donors under this provision shall be entitled to full deductibility of the value of the donation for income tax purposes.

To help ensure the implementation of the free food for the poor program, all food items and food products, including rice, corn, sugar and other prime commodities, seized and forfeited with finality infavor of government for violations of customs laws shall be automatically transferred to or turned over to the DSWD for its dispositions.

SECTION 6. *The Right to Employment* – The Department of Labor and Employment (DOLE), in coordination with the labor or employment offices of local government units, shall primarily be responsible for ensuring that the poor shall have preferential access to employment openings in private enterprises and in government programs and projects. For this purpose and to focus on the specific issue of creation of employment for the poor, the DOLE shall establish an Office of Employment Opportunities (OEO) within the department to carry out this responsibility. The budgetary requirements of the OEO shall be included in the annual budget of this department.

Government departments and agencies, including government-owned and controlled corporations, are hereby authorized and mandated to earmark funds from their budgetary outlays to immediately undertake viable projects for employment purposes. The government shall likewise allocate more funds from official development assistance for projects and

activities that will have greater impact on generation of employment for the poor.

It shall be mandatory for all government infrastructure projects and/or government-funded contracts or government-assisted undertakings to utilize laborers from poor organizations as may be necessary in areas where the projects or contracts are to be implemented.

SECTION 7. *The Right to Free Quality Education* – The right of the poor to free elementary and secondary public education shall not be impaired. This right shall include provisions for free school uniform and school transportation

The right to education shall include access to quality education at the college level. Keyed to the government goal of providing free college education to the poor, college or graduate scholarships for the poor, including the study-now-pay-later-plans, shall be expanded in State universities and colleges and local government educational institutions keyed to the government goal of giving free quality college education.

It shall also include the right to free availment of vocational and/or technical training and manpower skills development, for those who fail to qualify for formal or higher education, from appropriated government agencies.

The Department of Education Culture and Sports (DECS), in coordination with government agencies and government educational institutions concerned, shall ensure the full enjoyment of the poor's right to education.

SECTION 8. *The Right to Shelter* – The right of the poor to decent housing shall not be abridged. The Government shall develop and

implement an appropriate housing scheme that will provide decent housing facilities to the poor with the least financial burden through a system of subsidy or no-down payment acquisition schemes and long term, interests-free loans.

In identified hazardous or danger zones or in geographic areas and population groups where housing needs for the poor are urgent and greatest, the Government, through the National Housing Authority and the local government unit concerned, shall immediately construct and provide free housing facilities in pre-determined development or resettlement sites.

In all cases, the Government, in ensuring the exercise and enjoyment of this right of the poor, shall put in place a system of simple requirement and procedures and expeditious processing and approval.

SECTION 9. *The Right to Free Health Services and Medicine* – The Department of Health, through its regional offices of national and provincials or local hospitals, shall develop and implement a system of free delivery of health services and medicine to the poor. The availing of this right of the poor shall be limited to the locality where they permanently reside.

Government medical and health insurance program under existing laws shall increase, expand and liberalize their coverage so as to include free basic health services and medicine to the poor.

SECTION 10. *Other Rights of the Poor.* – All other rights and benefits for the poor provided under existing laws shall remain in full force and effect. Nothing herein shall be construed in a manner that will diminish the enjoyment of such rights by the poor who shall have the right to avail of the greater rights or benefits offered by existing laws, including those granted under this Act.

SECTION 11. *Funding Requirements.* – To carry out the provisions of this Act, the following amounts are appropriated as follows:

- (1) The sum of Fifty Million Pesos (Php50,000,000.00) as initial operating fund is hereby appropriated out of any available funds in the National Treasury. The amount necessary in subsequent years to help implement this Act shall be included in the annual appropriation of the NEDA.
- (2) Twenty percent (20%) of the share of the national government in the earnings of the PAGCOR.
- (3) Twenty percent (20%) of the share of the national government in all lotteries conducted by the Philippines Charity Sweepstakes Office.
- (4) Fifty percent (50%) of the share of the government in the proceeds from sale or disposition of sequestered assets.
- (5) Fifty percent (50%) of the proceeds from the sale or disposition by public auction of goods or articles forfeited in favor of the government by the Bureau of Customs.

The share from the PAGCOR, the PCSO, the sale of sequestered assets and forfeited goods and article, as above-provided, shall be directly remitted to the NEDA on a quarterly basis for its disposition in accordance with this Act.

SECTION 12. *Rational Allocation Funds.* – The National Economic and Development Authority (NEDA) shall be principally responsible for the efficient and rational allocation of available funding requirements as maybe needed by the different government departments and agencies in implementing the rights of the poor

SECTION 13. *Implementing Rules* – The NEDA, in coordination with the government departments and agencies concerned, shall promulgate rules and regulations to carry out the provisions of this Act within three (3) months from its effectivity. The rules shall set priority target areas for the initial implementation of this Act with the end in view of ensuring the successful replication of the program nationwide.

SECTION 14. *Compliance Report* – The NEDA, in coordination with all government department and agencies concerned, shall, within, six (6) months from the effectivity of this Act and every six (6) months thereafter, submit a report to Congress on the compliance with the provisions of this Act.

SECTION 15. *Separability Clause* - If any provisions of this Act is declared unconstitutional or the application thereof to any person, circumstance or transaction is held invalid, the validity of the remaining provisions of this Act or the applicability of such provisions to other persons, circumstances or transactions shall not be affected thereby.

SECTION 16. *Repealing Clause* - The provisions of all other laws, decrees, orders, rules or regulations or part thereof inconsistent with this Act are hereby repealed accordingly.

SECTION 17. *Effectivity* - This Act shall take effect after fifteen (15) days following its complete publication in the Official Gazette, or in at least two (2) national newspapers of general circulation, whichever comes earlier.

Approved,