

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SIXTEENTH CONGRESS
First Regular Session



HOUSE BILL NO. 25

Introduced by: **REP. RAUL V. DEL MAR**

EXPLANATORY NOTE

In essence, social justice in a democracy is caring for the poor, a continuing and sincere concern for the underprivileged, a genuine and serious effort to improve their quality of life. This is what the attached bill, The Magna Carta of the Poor, is all about.

It must be recalled that the Magna Carta was approved by this House and the Senate in the last Congress, but was vetoed by the President on ground of "substantial infirmities". They were largely questions of funding and implementation which are now sought to be clarified or otherwise addressed by this bill, foremost, is emphasizing a system of progressive realization for purposes of implementation as specifically provided in Section 12 hereof which states, "*Sec. 12. Principle Governing Implementation. - Nothing in this Act shall be construed in any manner as requiring the Government to undertake the immediate implementation of all the mandated benefits and programs for the poor. The Government shall implement the provisions of this Act in accordance with a system of progressive realization or program of progressive measures over time, considering the critical poverty alleviation concerns and related priorities that need sustained allocation of resources.*" Moreover, we welcome from the Executive Department such additional amendments that will further provide more effective mechanisms for the alleviation of poverty.

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 free healthcare and medicine – the "minimum standards of decency"

More than a bill of rights of the poor, it declares that Government must now take the side of the poor because the issue of poverty has now become a critical question of survival; that Government intervention, given the present situation, is the only realistic route to take to uplift the poor while long term measures, strategies and

solutions for poverty reduction are being put in place, and that government must invest heavily in anti-poverty programs for the economic empowerment of the poor.

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.

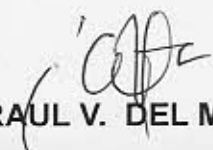
Likewise, the government must implement a system of subsidy to help the poor in their food and housing requirements, and a system of free quality education and free health services and medicine. Employment will not come immediately for all the poor and the income may be grossly inadequate for those who may be employed. Hunger and sickness should not incapacitate and disable the poor in the pursuit of their rights.

The value of education – not mere education but free quality educations even at the college level is envisioned – in poverty alleviation cannot be denied. Simply put, an educated poor would have better chances of surviving and enduring, even prevailing, in the market of employment and business. As stressed somewhere, those left out of public education programs are likely to be left out of economic opportunities, a misfortune that will surely be inherited by the next generation. The government must treat this concept of free quality education as a national investment, equipping the citizenry with tools for the future, for a better future.

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.

But to put things in a realistic framework, the proposed legislation is not a demand to put everything in place now, in the first year or first few years or even the next decade after its passage, knowing that government resources can only do so much for so many programmed priorities in a given period. For purposes of implementation, therefore, a system of progressive realization, which is the settled practice and prerogative of the executive department, is fully recognized. Stated a little differently, the only way to go, the only way to have this proposed legislation implemented, which is now expressly provided in the bill, is through a bundle of progressive measures over time; otherwise it can never be implemented.

In this light, approval of the bill is earnestly sought.


RAUL V. DEL MAR

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Introduced by: **REP. RAUL V. DEL MAR**

**AN ACT
PROVIDING FOR A MAGNA CARTA OF THE POOR**

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

SECTION 1. Title – This Act shall be known as the “Magna Carta of the Poor”.

SEC. 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. Every poor Filipino family must be empowered to meet their minimum basic needs, through the partnership of the government and the basic sectors. It is likewise vital that the State complies with its international obligations to eradicate poverty, such as our commitment to achieve the Millennium Development Goals which include the eradication of extreme poverty and hunger, achievement of universal primary education, promotion of gender equality and empowerment of women, reduction of child mortality, improvement of maternal health, combating HIV/AIDS, malaria and other diseases, ensuring environmental sustainability and development of a global partnership for development.

To attain the foregoing policy:

(a) Government must prioritize investments in anti-poverty programs to enable the poor to participate responsibly in the country's growth and development;

(b) All government departments, agencies and instrumentalities must provide full access to government services for the poor;

(c) Government interventions must be strengthened to address the genuine concerns of the poor, while long-term strategies and solutions for the empowerment of the poor are being put in place; and

(d) The capabilities and competencies of the basic sectors, the nongovernment organizations (NGOs) and people's organizations (POs), as partners of the government for the effective delivery and implementation of a wide range of anti-poverty programs and basic services, shall be enhanced and promoted.

SEC. 3. Definition of Terms. – As used in this Act, the following terms are hereby defined:

(a) **Poor** shall be refer to individuals or families whose income fall below the poverty threshold as defined by the National Economics and Development Authority (NEDA) and/or cannot afford to provide their minimum basic needs of food, health, education, housing and other essential amenities in a sustained manner.

(b) **Basic sectors** shall refer to the disadvantaged sectors of Philippine society, namely: farmer-peasants, artisanal fisherfolk, workers in the formal and informal sectors, migrant workers, indigenous people and cultural communities, women, differently-abled persons, senior citizens, victims of calamities and disasters, youths, students, children and the urban poor.

(c) **Hazardous or danger zones** shall refer to areas which when occupied for residential purposes actually pose a danger to the life and safety of the occupants or of the general community.

(d) **People's organization (PO)** shall refer to any recognized or accredited self-help association or cooperative of the basic sectors or disadvantaged groups composed of members having a common bond of interest, who voluntarily join together to achieve a lawful common social and economic end.

(e) **Development partners** shall refer to nongovernment organizations (NGOs), the POs and private corporations which are engaged in programs and activities aimed at alleviating the conditions of the poor.

SEC. 4. Basic Rights of the Poor – The poor shall have the following rights, the enjoyment of which is an essential step towards poverty alleviation: (a) the right to food; (b) the right to employment and livelihood; (c) the right to quality education; (d) the right to shelter; and (e) the right to basic health services and medicines.

The government shall, as a matter of duty and obligation, establish a system of progressive realization or implementation to provide the requirements, conditions and opportunities for the full enjoyment of these rights of the poor.

4.1 The Right to Food. – The Department of Social Welfare and Development (DSWD) shall expand a program of subsidy to help the poor meet their minimum food requirements.

To help ensure the implementation of the food assistance program, the DSWD shall be the main beneficiary, recipient or transferee of all food items and food products, including rice, corn, sugar and other prime commodities, seized and forfeited with finality or declared abandoned in favor of the government for violations of customs laws.

The DSWD, in coordination with the Department of Agriculture (DA), shall develop plans and projects to complement existing food subsidy programs of the government so that the poor can engage in productive activities. These shall promote food self-sufficiency among the poor. In addition, the DA shall, through its local buying stations purchase the agricultural produce of the poor farmers.

4.2. The Right to Employment and Livelihood. – The Department of Labor and Employment (DOLE), in coordination with the POs, the National Anti-Poverty Commission (NAPC), the local government units (LGUs), and relevant government agencies and government financial institutions, shall primarily be responsible for providing facilitation assistance to the poor to ensure better access to livelihood opportunities and employment openings in private enterprises and in government programs and projects. The DOLE and other concerned government agencies are likewise tasked to address the emergency employment needs of displaced families.

In the hiring of workers needed for the implementation of government infrastructure projects and/or government-funded contracts or government-assisted undertakings, it shall be mandatory to prioritize qualified laborers from the poor sector who are residents of the LGUs where the project is located, as provided in the implementing rules.

4.3. The Right to Quality Education. – The right of the poor to free public elementary and secondary education shall not be impaired.

The right to education shall include access to quality education at the college level. Consistent with the government's goal of providing socialized college education, including the student loans or study-now-pay-later plans, programs on education shall be expanded in state/local/private universities and colleges, as well as higher education institutions: *Provided*, That the students qualify and maintain good academic standing: *Provided, further*, That the students enroll in priority courses, as determined by the Commission on Higher Education (CHED).

It shall also include the right to avail of quality technical vocational education and training through scholarships, subsidies and financial assistance, to ensure access to decent and productive employment.

At least five percent (5%) discount shall be granted by establishments that sell reference books for college and school supplies to poor but deserving students, subject to the guidelines to be issued by the CHED: *Provided*, That these establishments may claim the cost as allowable tax deduction from the gross income

in the computation of their income tax in accordance with the provisions of the National Internal Revenue Code of 1997, as amended.

The Department of Education (DepED), the CHED and the Technical Education and Skills Development Authority (TESDA), in coordination with government agencies concerned, shall ensure the full enjoyment of the poor of the rights to education.

4.4. The Right to Shelter – The right of the poor to decent housing shall not be abridged. The government shall develop and implement a housing program for the poor which shall include a well-targeted and responsive subsidy scheme that will provide decent housing with the least financial burden.

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

The government, through the Housing and Urban Development Coordinating Council (HUDCC) and the National Housing Authority (NHA), in coordination with the LGUs, shall prioritize the implementation of the socialized housing and resettlement for the poor especially those residing on hazardous or danger zones.

The implementers of the socialized housing and resettlement programs shall enjoy the incentives stated in Section 20 of Republic Act No. 7279, otherwise known as the “Urban Development and Housing Act of 1992”.

4.5. The Right to Basic Health Services and Medicines. – The LGUs shall ensure and promote the health of their populace in a rational manner, including the availability of quality primary healthcare services and access to secondary and tertiary healthcare services and public healthcare programs.

The Department of Health (DOH) shall provide the highly specialized level of quality healthcare in a rational manner as well as technical assistance to LGUs, POs and other members of civil society in effectively implementing programs, projects and

services that will promote the health and well-being of every Filipino, especially the poor.

The Philippine Health Insurance Corporation (PhilHealth), in coordination with the DOH, shall ensure that every Filipino, especially the poor, is covered and entitled to an adequate package of health services. The out-of-pocket expenses of every Filipino, especially the poor, shall be substantially reduced, with the end view of totally eliminating such expenses. The current payment and enrollment mechanisms shall also be reformed.

The DOH, the LGUs and the PhilHealth shall define an expanded primary health package that every citizen is entitled to and can readily avail of. Clear responsibilities must be defined and allocated among the three partners, ensuring also that services provided are consistent with the epidemiological profile and population needs.

4.6. 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 to 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.

SEC. 5. System for Targeting of Beneficiaries. -- The DSWD, in coordination with the NAPC and other relevant government agencies, the LGUs, the NGOs and the POs, shall come up with a single system of the classification to be used for targeting beneficiaries of the government's anti-poverty programs and projects to ensure that such programs reach the intended beneficiaries.

SEC. 6. Funding Requirements. – The funding for the pro-poor programs and projects implemented under this Act shall be taken from the existing appropriations of the different departments and agencies implementing pro-poor programs. In addition to these, funding shall be taken from the following:

(d) Twenty percent (20%) 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 President, upon the recommendation of the Secretary of Finance and National Economic and Development Authority, may increase or adjust the above rates or percentages of share no later than two (2) years from the effectivity of this Act and every three (3) years thereafter.

Deficiencies in the existing appropriations of the pro-poor programs of the different departments and agencies shall be included in the General Appropriations Act of the year following the enactment of this Act and thereafter.

SEC. 7. *Rational Allocation of Funds.* – The Department of Budget and Management shall be principally responsible for the efficient and rational allocation of available funding requirements as may be needed by the different government departments and agencies in implementing this Act.

SEC. 8. *Private Sector Participation.* – The private sector is highly encouraged to be an active partner for the empowerment of the basic sectors.

As such, the DSWD, the DOLE, the DepED, the DOH, the NAPC, the DA, the CHED, the TESDA, the HUDCC and the NHA are hereby authorized to solicit donations, aids or grants, in cash or in kind, from whatever source, and/or enter

partnerships with private/public institutions to meet the demands of the basic rights to food, employment and livelihood, quality education, shelter, basic health services and medicine, and other rights.

SEC. 9. *Tax Exemptions.* - Any donation, contribution or grant which may be made to the programs and projects entered into pursuant to this Act shall be exempt from the donor's tax and the same shall be considered as allowable deduction from the gross income in the computation of the income tax of the donor in accordance with the provisions of the National Internal Revenue Code of 1997, as amended.

SEC. 10. *Role of the Local Government Unit.* - LGUs shall be responsible for the formulation and implementation of local anti-poverty programs and projects in their jurisdictions and ensure that these are consistent with, and complementary to, national programs and projects set forth in the basic rights of the poor as provided in Section 4 of this Act.

SEC. 11. *Consultative Council.* - A convergence of all anti-poor agencies of the government, composed of the NAPC, the DSWD, the Presidential Commission on Urban Poor, the LGUs, one (1) representative each from the civil society organizations and the POs, shall be formed into a Consultative Council to ensure the continuity and institutionalization of all the initiatives and programs of the government for the poor. The Council is tasked to strengthen the mechanism and uniformity of procedures in the implementation of the program.

SEC. 12. *Principle Governing Implementation.* - Nothing in this Act shall be construed in any manner as requiring the Government to undertake the immediate implementation of all the mandated benefits and programs for the poor. The Government shall implement the provisions of his Act in accordance with a system of progressive realization or program of progressive measures over time, considering the critical poverty alleviation concerns and related priorities that need sustained allocation of resources.

SEC. 13. *Implementing Rules and Regulations.* - The NAPC, the DSWD, the LGUs, in coordination with the concerned government departments and

agencies, 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.

SEC. 14. *Compliance Report.* – The NAPC, in coordination with all government departments and agencies concerned, shall within six (6) months from the effectivity of this Act and every six (6) months thereafter, submit a report to the Joint Congressional Oversight Committee on the compliance with the provisions of this Act.

SEC. 15. *Separability Clause.* - If any provision of this Act is declared unconstitutional, the other provisions not affected thereby shall remain in full force and effect.

SEC. 16. *Repealing Clause.* - All laws, decrees, orders, rules and regulations or parts thereof which are inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SEC. 17. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in two (2) national newspapers of general circulation.

Approved,