



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

NINETEENTH CONGRESS
First Regular Session



House Bill No. 5534

Introduced by Representative **GERALDINE B. ROMAN**

EXPLANATORY NOTE

Public land transport workers are not second rate citizens. They should be treated at par with any worker in the public sector, giving them rights and benefits during their productive and retirement years. These rights accrue to the workers because they are part and parcel of the back bone of the Filipino economy. Transport workers do not have social benefits, welfare protection and even retirement benefits.

Clearly, without public land transport workers, there can be no economic activity. All must be treated equal as a minimum condition to work and employment. The principle of equal opportunity drives what this legislative measure seeks to achieve.

Equal opportunity is a state of fairness in which individuals are treated similarly, unhampered by artificial barriers, prejudices or preferences, except when particular distinctions can be explicitly justified. The intent is that the important jobs in an organization should go to the people who are most qualified – persons most likely to perform ably in a given task – and not go to persons for reasons deemed arbitrary or irrelevant, such as circumstances of birth, upbringing, having well-connected relatives or friends, religion, sex, ethnicity, race, caste or involuntary personal attributes such as disability, age, gender disability, age, gender identity, or sexual orientation.

According to proponents of the concept, chances for advancement should be open to everybody without regard for wealth, status, or membership in a privileged group. The idea is to remove arbitrariness from the selection process and base it on some "pre-agreed basis of fairness, with the assessment process being related to the type of position" and emphasizing procedural and legal means.

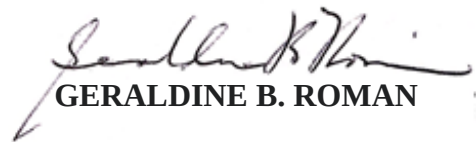
Individuals should succeed or fail based on their efforts and not extraneous circumstances such as having well-connected parents. Equal opportunity is opposed to nepotism and plays a role in whether a social structure is seen as legitimate. The concept is applicable in areas of public life in which benefits are earned and received such as employment and education although it can apply to many other areas as well. Equal opportunity is central to the concept of meritocracy.

There are different types of equal opportunity: formal quality of opportunity, substantive equality of opportunity, equality of fair opportunity, level playing field and meritocracy. Consequently, a people-centered legislation is what is being proposed with this measure.

The measure targets the workers and operators of the Tricycle Public Conveyance units, transport cooperatives, jeepney operators and drivers association, taxis, UV Express and at the same time takes into careful review the various provisions of the Certificate of Public Conveyance. In the process of legislation, we will be reviewing the policies and implementation programs of the LTFRB to ensure the use of Route Measurement Capacity (RMC) in the issuance of franchises.

We do not subscribe to just the duties and responsibilities of operators and drivers, instead we would like to promote the rights and privileges of public transport workers pursuant to the universally held equal opportunity principle.

Approval of this measure is earnestly sought.



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**AN ACT PROVIDING FOR THE MAGNA CARTA FOR PUBLIC LAND
TRANSPORT WORKERS AND FOR OTHER PURPOSES**

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

Chapter 1: General Provisions

SECTION 1. Title. – This Act shall be known as the “Magna Carta for Public Land Transport Workers.”

SEC. 2. Declaration of Policy. – The State recognizes the significant role of the workers in the public land transport in the development of our economy. The public land transport workers play a vital role of ferrying the commuting public to their destination such as to their places of work, to the school for the children to attend classes, to the market to buy their goods and food supplies, to the tourism sites for the tourist to visit and such all other activities that require the commuting public to travel to a certain point of destination. It is therefore imperative for the State to promote the safety, welfare, security and protection of the public land transport workers, the riding public as well as to develop our country’s public land transport system.

The State affirms that the current condition of the public land transport system requires further development and improvement in order to serve the public effectively in their day-to- day business and social activities. The State shall endeavor to develop plans, policies, programs and mechanisms to address these inequalities in the socio-political and socio-economic conditions of public land transport workers.

In pursuance of this policy, the State shall address to resolve these inequalities through this Act which aims to promote the welfare, security and protection of the public land transport workers. It shall ensure the participation of transport workers in policy formulation, planning, organization, evaluation, monitoring and implementation of plans, programs and projects under this Act.

The State shall further support the research, technology, systems, training and education programs as may be provided under this Act in order to encourage the active participation of transport workers.

SEC. 3. Declaration of the Principle of Equal Opportunity. – The State recognizes that all individuals have the right to equal opportunity to live decently and with dignity. Every individual has the right to participate and be given access to information relating to the decision-making processes that affects their lives and well-being.

The State further declares that the public land transport workers are individuals deserving of decent life and dignity. They should be given the opportunity to live a life of normalcy, living in co-existence with other workers who are living a peaceful and productive life, secured and protected by law.

The State also affirms that land transport workers are deemed considered as professionals in their own right in as much as they are holders of professional driver's license and performing their task of serving the commuting public.

SEC. 4. Definition of Terms. – For purposes of this Act, the following terms shall mean:

- a) Transport Worker – refers to an individual who works as an informal worker by contracting or leasing a public utility vehicle for his use to provide service to the commuting public for a fee prescribed by a fare matrix.
- b) Operator – refers to an owner of a vehicle registered with a Certificate of Public Conveyance franchise which allowed the public utility unit to operate within a specific route line.
- c) CPC – refers to the Certificate of Public Conveyance certificate issued by the LTFRB or the OTC stating the approved route line of the vehicle to service the commuting public.
- d) RMC – refers to the Route Measurement Capacity study being conducted by the DOTR or the LTFRB to measure the capacity of a certain route line in terms of serviceable ratio of possible number of riding commuters along a certain route.
- e) MTOP – refers to the Municipal Tricycle Operating Permit being issued by the Local Government Unit as a permit to operate for tricycle units plying a specific route.
- f) Transport Organization – refers to the organization whose members are the drivers and operators of public conveyance vehicles. They may be classified as operators and drivers association duly registered with the Securities and Exchange Commission. This can be any of the following: TODA, JODA, UVODA, BODA, and TDA. It also refers to Operators and Drivers organizations duly registered with the Department of Labor and Employment (DOLE) and Transport Cooperatives duly registered with the Office of Transport Cooperatives (OTC)
- g) DOTR – refers to the Department of Transportation
- h) LTFRB – refers to the Land Transportation Franchising Regulatory Board
- i) OTC – refers to the Office of the Transport Cooperative under DOTR
- j) PPLTC – refers to the Presidential Public Land Transport Commission, an office under the Office of the President, which shall be tasked to assist the President in managing the affairs of the public land transport.

- k) PLTWC – refers to the Land Transport Workers Confederation, an organization that may be created and organized by the federated organization of land transport organizations to serve as their umbrella organization to represent them in any forum which are related to their general welfare and concerns.
- l) TWF – refers to the Transport Workers Fund, a provident fund that may be created to serve as an institution that would generate the collective fund of the transport workers and will cater to the financial and retirement fund of the transport workers.
- m) PTIP – refers to the Public Transport Insurance Pool, an organization of Insurance companies who shall cater to the insurance protection of the transport workers and public commuters.

Chapter II – Specific Provisions

SEC. 5. Coverage. – This Act shall apply to all public land transport workers except those who are regularly employed by transport companies and are regularly receiving salaries and emoluments from a duly registered transport company, protected by the Labor Code of the Philippines.

The transport workers covered under this Act shall refer to the informal workers in the public land transport who are working under a contract of leasing the public utility unit and has no employer-employee relationship with the public utility vehicle owner. Also covered are the transport workers of transport cooperatives who are working under the same terms and conditions as an informal worker in the transport cooperative. Individual operators of single unit public utility vehicle may be covered provided that he becomes a member of a transport workers organization and working as a regular member.

SEC. 6. Transport Worker. – as defined in Section 4 of this Act, these are individual s who work in public land transport either as a driver, conductor, mechanic or terminal barker. He may be categorized as tricycle driver, public utility jeepney driver, UV express driver, taxi driver, bus driver, and habal habal driver. They are mostly working as a lessee of a public utility vehicle earning an income after spending for the fuel and paying off the agreed boundary fee or the lease amount of the vehicle they are using. Most do not have social protection benefit such as health insurance and life insurance. They also do not have leave incentives and retirement benefits.

SEC. 7. Social Protection and Retirement Program. – This Act aims to establish and provide for a program to ensure the welfare and security of public land transport workers. It aims to provide equal opportunity for workers in the informal sector such as the public land transport workers to avail of health and life insurance coverage for their protection and a retirement program for their security and welfare.

In order to achieve this end, there shall be established a provident savings program specifically designed for the public land transport workers which shall serve as their retirement fund. It shall provide a guaranteed interest income on their savings and shall be withdrawn upon maturity of their membership or when they reach their retirement age. It shall also provide a guaranteed insurance benefit upon the death of the member on top of the full payment of his earned contribution in the provident fund. It shall also assist the transport worker in their dire financial need in terms of emergency loan privileges that they can avail of upon a certain membership residency period requirement. The State shall guarantee the security of the public transport workers fund and shall provide for its initial investment.

SEC. 8. Transport Workers Fund. – The State recognizing the vital role that the public land transport workers play in providing service to the public and their contribution to the national welfare. As such, there shall be created and established provident savings fund that shall be named as the “Transport Workers Fund” (TWF).

The TWF is a provident savings program that is specifically designed for the public land transport workers. The owners of the TWF shall be the duly registered transport workers who contribute to its fund with the participation of their operators who provides a counterpart contribution which serve as retirement fund to their drivers.

The public land transport worker who signs and participates in the program shall contribute a certain amount and the operator of the public utility vehicle shall provide an equal amount as his counterpart contribution. The amount of contribution may be determined by an actuarial study which will prescribe for a computation of the desired retirement benefit after a certain maturity period. It shall also prescribe for an insurance benefit of its members upon occurrence of death or permanent disability on top of the full return of the member’s accumulated savings.

The TWF shall also extend emergency loans to its members, *Provided that* the members have already completed their residency period requirement of at least twenty four (24) months of contribution. The members of the TWF can avail of at least 60% of their total accumulated value of their contribution. The members contribution shall have a guaranteed interest income of at least 6% per annum.

The Fund can only be invested in blue chips or government security deposits. Since the TWF is guaranteed by the Republic of the Philippines, the Trustees of the Fund shall be the Secretaries of the concerned government agencies, namely: Department of Finance (DOF), Department of Transportation (DOTR), Department of Labor and Employment (DOLE), Department of Budget and management (DBM), the representative of the Office of the President as may be represented by the Head of the Presidential Public Land Transport Commission (PPLTC), representatives from each of the two chambers of Congress and two (2) representatives of the Transport Workers who shall be endorsed by the Public Land Transport Workers Confederation (PLTWC), all of whom shall be appointed by the President of the Republic of the Philippines.

SEC. 9. The PPLTC or the Presidential Public Land Transport Commission. – The Presidential Public Land Transport Commission, hereinafter referred to as PPLTC, shall be established, created by and be under the Office of the President. The PPLTC shall be the policy making body of the public land transport system of the country and shall be directly in charge in the management of the affairs of the public land transport system.

It shall monitor the situation and condition of the public land transportation and shall also act as an adjudicator in the complaints, issues, and grievances of the public land transport workers. It shall principally be involved in the planning, management and direction of the public land transport system in the country and shall be headed by a Commissioner and two (2) deputy Commissioners.

SEC. 10. The Public Land Transport Workers Confederation. – Pursuant to this Act, the Public Land Transport Workers Confederation, hereinafter cited as PLTWC, shall be organized by the various groups of the public land transport workers to serve as their umbrella organization to represent them in the management of the affairs of their sector.

It shall be accredited by the PPLTC as the main organization representing the public land transport workers. It shall be directly registered with the Department of Labor and Employment as a worker's organization and shall enjoy the benefits and privileges extended by the government through the Department of Transportation.

Being a duly registered worker's organization, the PLTWC is prohibited in exercising the right to strike as it is not classified as a labor organization under the Labor Code of the Philippines. It is detrimental to the country and its economy if the public land transport workers engage in strike or work stoppage as it would prejudice the public in their collective rights to travel conveniently to their places of destination particularly in going to their workplace.

The PLTWC shall organize themselves as a confederation of various of public land transport workers federations for purposes of representation and participation in the discussion of issues and concerns affecting the public land transport sector. It shall privately be funded by the member organizations which is deemed necessary for it to exist and operate.

The PLTWC shall be considered as a non-government organization but shall be duly accredited as the sole and exclusive body to represent the concerns of the public land transport workers. It shall decide on policies and resolutions during their general membership meeting of which major resolutions concerning national issues and concerns shall be approved by its general membership.

The PLTWC shall be given due cognizance and accreditation by national government agencies such as the DSWD, PCSO, PAGCOR, DOH, DOLE, DOTR, TESDA, LTFRB, OTC and the Local Government Units (LGU's) in seeking assistance for the benefit of their members.

SEC. 11. Public Transport Insurance Pool (PTIP). – There shall be organized a Public Transport Insurance Pool, hereinafter referred to as PTIP, which is an aggrupation of duly accredited insurance companies providing Third Party Liability insurance for both private and public land transport vehicles.

For purposes of this Act, the Insurance Pool shall be created and organized by the insurance companies under the auspices of the Insurance Commission, in order to create an insurance pooling of insurance companies providing for Third Party Liability insurance coverage for public land utility vehicles.

All public land utility vehicles are mandated to secure TPL insurance coverage upon its renewal of vehicle registration with the Land Transport Office (LTO); *Provided, however that* a secured and fast claims processing of incidents of death of the driver or the passenger shall be in order, enjoining duly registered and accredited insurance provider to create a pool which will be managed by a pool administrator who shall collect the TPL insurance premium for and in behalf of the insurance companies and shall also be in charge of the processing of the claims.

The insurance pool administrator shall remit the collected premium to each of the insurance companies under the pool and a portion of the premium shall be retained to defray the cost of the claims filed before its office. For purposes of this Act, the claims should be processed within seven (7) working days. The insurance pool must provide a definitive coverage of the third-party liability insurance under the automotive third-party liability insurance coverage.

The insurance pool shall provide for bodily injury liability cover cost resulting from injuries to a person such as hospital care, lost wages, and pain and suffering due to the accident; and property damage liability costs resulting from damages to or loss of property.

It shall be the main role of the insurance pool administrator to educate the transport workers and the commuting public as well. By this Act, the LTO shall cater only to the insurance pool coverage as a prior requirement before the registration of public land transport vehicles.

Chapter III – Other Provisions

SEC. 12. The Public Land Transport System. – The State recognizes the issues and concerns raised by the transport workers particularly on the issues of their route lines that affects their livelihood and well-being. There are route lines that are over capacity as to the numbers of the transport utility vehicles operating within an approved route line consequently affecting the opportunity to earn decent income leading to unhealthy competition, affecting passengers along the route.

The undisciplined behavior results to reckless driving, competing for passengers to board their vehicles, thus resulting to traffic violations and falling prey to traffic enforcers.

The over capacity of route lines is due to unreasonable number of issuances of the Certificate of Public Convenience (CPC) franchises within their routes due to the lack of enforcement on the Route Measurement Capacity by the LTFRB in its issuance. Further, the cost of securing the CPC franchises had reached unreasonable cost thereby increasing the lease price or the boundary to the prejudice of drivers who lease their vehicles.

In the issuance of the Municipal Tricycle Operating Permit (MTOP) by the local government units, the tricycle drivers have to compete with each other along the route. Pursuant to this Act, the PPLTC shall conduct planning and review of the public land transport system, issue directives on traffic management and enforcement system as well direct the LGUs to submit their respective traffic management plan and public transport management ordinances to align and harmonize the same, ensuring that the last mile in the road networks are serviced.

SEC. 13. Office of the Transport Cooperative. – an Office of the Transport Cooperative, or OTC shall be established to encourage the informal workers to join organizations to represent them towards the promotion of their rights, welfare and security. The OTC shall promote cooperative undertaking amongst the workers in the public transport sector to give them a sense of ownership and belonging as an entrepreneur while doing their craft in service to the general public. Pursuant to this Act, the OTC shall submit to the PPLTC its proposed plans, programs and projects for the public transport cooperatives subject to review, assessment and possible amendments.

Chapter IV – Transitory Provisions

SEC. 14. Implementing Rules and Regulations (IRR). – As the lead agency, the Presidential Public Land Transport Commission (PPLTC) shall, in coordination with the Department of Transportation and all concerned government agencies including the representatives of both chambers of Congress as observers and with the participation of the Public Land Transport Workers Confederation (PLTWC), formulate the Implementing Rules and Regulations (IRR) of this Act within one hundred eighty (180) days after its effectivity.

SEC. 15. Separability Clause. – If any provision or part hereof is held invalid or unconstitutional, the remainder of the law or the provisions not otherwise affected shall remain valid and subsisting.

SEC. 16. Repealing Clause. – Any law, presidential decree, executive order, letter of instruction, administrative order, rules, or regulations contrary to, or inconsistent with this Act is hereby repealed, modified, or amended accordingly.

SEC. 17. Effectivity Clause. – This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,