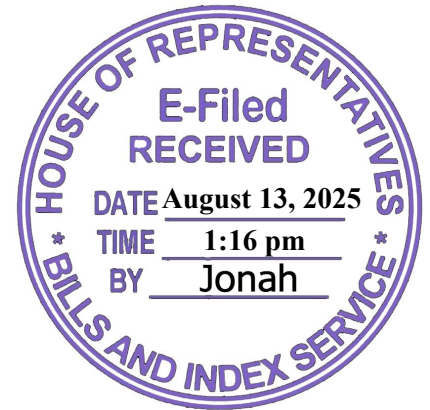




Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session



HOUSE BILL NO. 3678

Introduced by Reps. Alfelito “Alfel” M. Bascug, Ysabel Maria J. Zamora and Laarni Lavin Roque

**“AN ACT
EXPANDING THE POSITIONS RESERVED FOR QUALIFIED PERSONS WITH
DISABILITIES, FURTHER AMENDING FOR THE PURPOSE REPUBLIC ACT NO.
7277, OTHERWISE KNOWN AS THE MAGNA CARTA FOR PERSONS WITH
DISABILITIES, AS AMENDED BY REPUBLIC ACT NO. 10524, AND PROVIDING
ADDITIONAL INCENTIVES THEREFROM”**

EXPLANATORY NOTE

The 1987 Constitution of the Philippines guarantees the right to work and mandates the State to afford full protection to labor, promote full employment, and ensure equality of employment opportunities for all.¹ The Philippines, as a State Party to the United Nations Convention on the Rights of Persons with Disabilities (UNCRPD), also commits to recognizing the right of persons with disabilities to work on an equal basis with others and to promote inclusive and accessible employment in both the public and private sectors.²

Republic Act No. 7277, or the *Magna Carta for Persons with Disabilities*, as amended by Republic Act No. 10524, mandates a minimum employment quota for persons with disabilities in the public sector and encourages private sector participation through incentives.³ However, persistent gaps remain in actual employment outcomes for persons with disabilities.

According to the 2016 National Disability Prevalence Survey conducted by the Philippine Statistics Authority, only 12% of persons with severe disabilities, 48% of those with

¹ 1987 Constitution of the Republic of the Philippines, Article XIII, Section 3.

² Republic Act No. 7277 (Magna Carta for Persons with Disabilities), as amended by Republic Act No. 10524.

³ Philippine Statistics Authority, 2016 National Disability Prevalence Survey.

moderate disabilities, and 24% of those with mild disabilities have ever been employed.⁴ These numbers reflect the continuing marginalization of persons with disabilities in the labor market—not due to a lack of capability, but due to systemic barriers such as workplace inaccessibility, discriminatory practices, and weak implementation of inclusive hiring policies.

A 2021 study by the Institute for Labor Studies (ILS) affirms that persons with disabilities are capable of performing a wide variety of jobs, especially when appropriate support systems are in place.⁵ Therefore, employment inclusion must go beyond mere compliance and move toward actively eliminating structural barriers and providing affirmative opportunities.

This proposed measure seeks to further amend Republic Act No. 7277 to expand and strengthen employment provisions for persons with disabilities. Specifically, it mandates that two percent (2%) of all positions in all government agencies, offices, and government-owned or -controlled corporations shall be reserved for qualified PWDs. In the private sector, at least one percent (1%) of all positions shall be reserved for persons with disabilities, and for private corporations with more than one thousand (1,000) employees, at least two percent (2%) of all positions shall be reserved.

To encourage private sector participation, the bill enhances existing fiscal incentives. Private corporations that employ persons with disabilities as apprentices or learners shall be entitled to an additional deduction from their gross income equivalent to twenty-five percent (25%) of the total salaries and wages paid to such employees. Moreover, if said persons with disabilities are hired as regular employees, the deduction increases to thirty percent (30%). These provisions serve both as a recognition of inclusive practices and a stimulus to encourage long-term, stable employment for persons with disabilities.

The measure also establishes reasonable flexibility for employers. If after a thirty-day publication period no qualified persons with disabilities applicant is available, the employer may be permitted to hire persons without disabilities for such reserved positions, subject to approval by the Department of Labor and Employment (DOLE). This provision balances inclusion with operational realities.

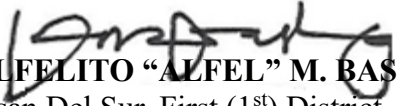
Furthermore, the bill mandates strengthened coordination among the DOLE, Department of Health (DOH), Civil Service Commission (CSC), Governance Commission for GOCCs (GCG), Department of Social Welfare and Development (DSWD), National Council on Disability Affairs (NCDA), and Bureau of Internal Revenue (BIR), to establish a unified and efficient verification and accreditation process. This will ensure proper implementation, monitoring, and sustainability of the policy across sectors.

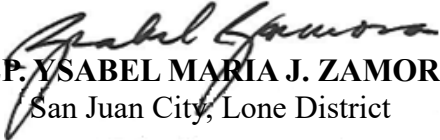
This legislative proposal is a critical step forward in affirming the right of persons with disabilities to full economic participation. It is not merely about quotas or incentives—it is a matter of justice, dignity, and equal opportunity. By strengthening the employment mandate,

⁴ Institute for Labor Studies (ILS), *Study on Employment of Persons with Disabilities*, 2021.

the State underscores its commitment to inclusive growth and to building a society where no one is excluded or left behind.

In view of the foregoing, the immediate passage of this bill is earnestly sought.


REP. AIFELITO “ALFEL” M. BASCUG
Agusan Del Sur, First (1st) District


REP. YSABEL MARIA J. ZAMORA
San Juan City, Lone District


REP. LAARNI LAVIN ROQUE
Bukidnon, Fourth (4th) District

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HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

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

SECTION 1. Section 5 of Chapter 1, Title Two of Republic Act No. 7277, as amended by Republic Act No. 10524, is hereby further amended to read as follows:

“SEC. 5. Equal Opportunity for Employment. – No [person] **PERSONS** with [disability] **DISABILITIES** shall be denied access to opportunities for suitable employment. A qualified employee with disability shall be subject to the same terms and conditions of employment and the same compensation, privileges, benefits, fringe benefits, incentives or allowances as a qualified [able-bodied] person **WITHOUT DISABILITY**.

At least [one percent (1%)] **“TWO PERCENT (2%)** of all positions in all government agencies, offices, corporations shall be reserved for persons with [disability] **DISABILITIES**: *Provided*, That private corporations [with more than one hundred (100) employees are encouraged to] **SHALL** reserve at least one percent (1%) of all positions for persons with [disabilities] **DISABILITIES: PROVIDED FURTHER, THAT THOSE PRIVATE CORPORATIONS WITH MORE THAN ONE THOUSAND (1,000) EMPLOYEES SHALL RESERVE AT LEAST TWO PERCENT (2%) OF ALL POSITIONS FOR PERSONS WITH DISABILITIES**.

NOTHING IN THIS ACT SHALL PREVENT PRIVATE CORPORATIONS WITH LESS THAT ONE HUNDRED (100) EMPLOYEES FROM HIRING PERSONS WITH DISABILITIES.”

SEC. 2. Section 8 (a) and (b) of Chapter 1, Title Two of Republic Act No. 7277, is hereby amended to read as follows:

"SEC. 8. *Incentives for Employers.* - (a) To encourage the active participation of the private sector in promoting the welfare **AND RIGHTS** of [disabled] persons **WITH DISABILITIES** and to ensure gainful employment for qualified [disabled] persons **WITH DISABILITIES**, adequate incentives shall be provided to private entities which employ [disabled] persons **WITH DISABILITIES**.

(b) Private [entities] **CORPORATIONS** that employ [disabled] persons **WITH DISABILITIES** who meet the required skills or qualifications, [either as regular employee,] **AS** apprentice or learner, shall be entitled to an additional deduction, from their gross income, equivalent to twenty-five percent (25%) of the total amount paid as salaries and wages to [disabled] persons **WITH DISABILITIES, WHILE PRIVATE CORPORATIONS THAT EMPLOY SAID PERSONS WITH DISABILITIES AS REGULAR EMPLOYEES SHALL BE ENTITLED TO AN ADDITIONAL DEDUCTION, FROM THEIR GROSS INCOME, EQUIVALENT TO THIRTY PERCENT (30%) OF THE TOTAL AMOUNT PAID AS SALARIES AND WAGES TO PERSONS WITH DISABILITIES: Provided, however, THAT** [such entities] **THESE CORPORATIONS** present proof as certified by the Department of Labor and Employment (**DOLE**) that **SUCH** [disabled] persons **WITH DISABILITIES** are under their employ[: *Provided, further*] **AND** that the [disabled] persons **WITH DISABILITIES** [is] **ARE** accredited with the [Department of Labor and Employment] **DOLE** and the Department of Health (**DOH**) as to [his] **THEIR** [disability] **DISABILITIES**, skills and qualifications: **PROVIDED FURTHER, THAT IF THERE IS NO QUALIFIED APPLICANT AFTER THIRTY (30) DAYS FROM THE MANDATORY PUBLICATION BY THE EMPLOYER OF ITS JOB VACANCY RESERVED FOR PERSONS WITH DISABILITIES, THE EMPLOYER MAY HIRE PERSONS WITHOUT DISABILITIES FOR SAID RESERVED POSITIONS BY SECURING PRIOR APPROVAL FROM THE DOLE.**

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SEC. 3. Within ninety (90) days from the effectivity of this Act, the DOLE, the Civil Service Commission (CSC), the National Council on Disability Affairs (NCDA), the Governance Commission for Government-Owned or -Controlled Corporations (GCG), the DOH, the Department of Social Welfare and Development (DSWD), and the Bureau of Internal Revenue (BIR) shall, in consultation with the concerned Senate and House Committees and other agencies, organizations and establishments, formulate the rules and regulations to implement the provisions of this Act.

SEC. 4. If any portion or provision of this Act is declared invalid or unconstitutional, the remainder provisions not affected thereby shall continue to be in full force and effect.

SEC. 5. All laws, decrees, executive orders, proclamations, rules and regulations, ordinances, rules, regulations, other issuances or parts thereof, which are inconsistent with any provision of this Act are hereby repealed, amended or modified accordingly.

SEC. 6. This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,