

THIRTEENTH CONGRESS OF THE REPUBLIC
OF THE PHILIPPINES
First Regular Session

SENATE
OFFICE OF THE SECRETARY

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SENATE

S. No. 439

Introduced by Senator S. R. Osmeña III

EXPLANATORY NOTE

As of 2000, 26.5 million Filipinos are now living below the poverty line. This means that eighteen to twenty-five million Filipinos have to subsist daily with less than P50 per person or approximately P32 per day. The fifty pesos or less have to be stretched to acquire the basket of goods (food, water, clothing, housing, etc.).

The World Bank Development Report 2000/2001, *Attacking Poverty* maintains that poverty should be more broadly defined as the inability to shape one's own life. An individual's dignity is violated if he is not given the freedom to shape his own life. The constraints to his freedom may be due to his lack of access to human and physical assets (lack of opportunity); his vulnerability to short-run negative shocks such as sickness, unemployment, transitional costs of economic reforms, macroeconomic crises and natural disasters (lack of security); or the insensitivity of public institutions to his needs (lack of empowerment).

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 and 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.

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.

Consequently, early approval of this bill is earnestly sought.

A handwritten signature in black ink, appearing to read "S. Osmeña III", written in a cursive style.

SERGIO OSMEÑA III
Senator

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SENATE

S. No. 439

Introduced by Senator S. R. Osmeña III

AN ACT
PROVIDING FOR A MAGNA CARTA FOR THE POOR

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

SECTION 1. *Title.* – This Act shall be known as the “**Magna Carta for 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. 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 to 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 intervention must be done now to address the genuine concerns of the poor while long term strategies and solutions for the economic empowerment of the poor are being put in place.

SEC. 3. *Definition of Terms*

a. "Poor" shall refer to natural persons whose income or combined household income falls below 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" – refer to areas which when used for residential purposes pose 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.

SEC. 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) food; (3) free quality education; (4) shelter and (5) 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.

SEC. 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.

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

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

15 Government departments and agencies, including government-owned and
16 controlled corporations, are hereby authorized and mandated to earmark funds
17 from their budgetary outlays to finance viable projects for employment purposes.
18 The government shall likewise allocate more funds from official development
19 assistance for projects and activities that will have greater impact on generation
20 of employment for the poor.

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

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

1 The right to education shall include access to quality education at the
2 college level. In consonance with the government goal of providing free college
3 education to the poor, college or graduate scholarships for the poor, including
4 the study-now-pay-later-plans, shall be expanded in the State universities and
5 colleges and local government educational institutions.

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

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

12 SEC. 8. *The right to Shelter.* – The right of the poor to decent housing
13 shall not be abridged. The Government shall develop and implement an
14 appropriate housing scheme that will provide decent housing facilities to the poor
15 with the least financial burden through a system of subsidy or no-down payment
16 acquisition schemes and long term, interest-free loans.

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

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

25 SEC. 9. *The Right to Free Health Services and Medicine.* – The
26 Department of Health, through its regional offices of national and provincial or
27 local hospitals, shall develop and implement a system of free delivery of health

1 services and medicine to the poor. The availment of this right of the poor shall
2 be limited to the locality where they permanently reside.

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

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

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

13 (1) The sum of Fifty Million Pesos (P50,000,000.00) as initial
14 operating fund is hereby appropriated out of any available funds in the National
15 Treasury. The amount necessary in subsequent years to help implement this
16 Act shall be included in the annual appropriation of the NEDA.

17 (2) Twenty percent (20%) of the share of the national government
18 in the earnings of the PAGCOR.

19 (3) Twenty percent (20%) of the share of the national government
20 in all lotteries conducted by the Philippine Charity Sweepstakes Office.

21 (4) Fifty percent (50%) of the share of the government in the
22 proceeds from sale or disposition of sequestered assets.

23 (5) Fifty percent (50%) of the proceeds from the sale or disposition
24 by public auction of goods or articles forfeited in favor of the government by the
25 Bureau of Customs.

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

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

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

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

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

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

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

Approved,