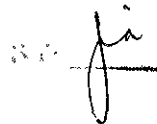


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SENATE

S. NO. 37



Introduced by Senator Antonio "Sonny" F. Trillanes IV

EXPLANATORY NOTE

The country's economic growth has been impressive in recent years. During the 1st Quarter of 2013, our Gross Domestic Product grew by 7.8 percent, an improvement from 6.5 percent in the same period in 2012. This GDP growth is the highest under the Aquino Administration, making our country the fastest-growing economy among Asian countries during the first quarter of 2013.

The impressive economic growth, however, is just a component of inclusive growth. In order to be inclusive, growth must also be sustained; it must create jobs in massive numbers; and it must reduce poverty. The country's bullish economy has not yet translated to the improvement of poverty incidence in the country.

According to the report of the National Statistical Coordination Board, poverty incidence remains practically unchanged during the last six years, with 27.9 percent poverty incidence in the 1st Quarter of 2012, 29.6 percent in 2009, and 28.8 percent in 2006.¹

This problem is aggravated by the increasing rate of unemployment. Based on the survey conducted by the Social Weather Stations in May 2013, unemployed Filipinos increased by one million during the 1st Quarter of this year, placing the country's unemployment rate to 25.4 percent, an increase from 24.6 percent in December 2012.²

Given this situation, long term measures, strategies and solutions for poverty reduction should be put in place. While there may be existing laws touching on the need of the poor as part of an overall national strategy to alleviate poverty, this proposed legislation sets forth what is felt to be the basic irreducible rights of the poor as essential requirements towards poverty alleviation. 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. These are the "minimum standards of decency" which the poor can demand as a matter of right and which the government must accord as a matter of obligation.

An earlier version of this Bill was passed by the 15th Congress. Unfortunately, the same was vetoed by the President due to certain objections purportedly because of some onerous provisions in the enrolled bill. It is my hope that, with better coordination by the Presidential Legislative Liaison Office (PLLO), a compromise could be arrived at and this bill could be finally enacted into law for the benefit of our poor countrymen.


ANTONIO "SONNY" F. TRILLANES IV
Senator

¹ Information retrieved from (<http://opinion.inquirer.net/53873/7-8-q1-growth-scrubs-out-impact-on-poverty>) on 6/27/2013.

² Information retrieved from (<http://www.philstar.com/business/2013/05/30/948124/neda-chief-gdp-growth-still-about-poor>) on 6/27/2013.

13 JUL -1 2003

SENATE

S. NO. 37

Introduced by Senator Antonio "Sonny" F. Trillanes IV

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:

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

2

3 **SEC. 2. Declaration of Policy.**- It is the declared policy of the State to uplift the standard of
4 living and quality of life of the poor and provide them with sustained opportunities for growth
5 and development. Every poor Filipino family must be empowered to meet their minimum basic
6 needs, through the partnership of the government and the basic sectors. It is likewise vital that
7 the State complies with its international obligations to eradicate poverty, such as our
8 commitment to achieve the Millennium Development Goals which include the eradication of
9 extreme poverty and hunger, achievement of universal primary education, promotion of gender
10 equality and empowerment of women, reduction of child mortality, improvement of maternal
11 health, combating HIV/AIDS, malaria and other diseases, ensuring environmental sustainability
12 and development of a global partnership for development.

13

14 To attain the foregoing policy:

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

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

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

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

8
9 **SEC.3. Definition of terms.** - As used in this Act, the following terms are hereby defined:

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

14 (b) Basic sectors shall refer to the disadvantaged sectors of the Philippine society,
15 namely: farmer-peasants, artisanal fisher folks, workers in the formal and informal
16 sectors, migrant workers, indigenous people and cultural communities, women,
17 differently-abled persons, senior citizens, victims of calamities and disasters, the
18 youth, students, children and the urban poor;

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

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

26 (e) Development partners shall refer to Non-Government Organizations (NGOs),
27 People's Organizations (POs) and private corporations which are engaged in
28 programs and activities aimed at alleviating the conditions of the poor.

29

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

5
6 The government shall, as a matter of duty and obligation, provide the requirements, conditions
7 and opportunities for the full enjoyment of these rights of the poor, and which the poor can
8 demand as a matter of right.

9
10 *4.1. The Right to Food.*- The Department of Social Welfare and Development (DSWD) shall
11 expand a program of subsidy to help the poor meet their minimum food requirements. To help
12 ensure the implementation of the food assistance program, all food items and food products,
13 including rice, corn, sugar and other prime commodities, seized and forfeited with finality in
14 favor of the government for violations of customs laws shall be automatically transferred to and/
15 or turned over to the DSWD for proper disposition.

16
17 The DSWD, in coordination with the Department of Agriculture (DA), shall develop plans and
18 projects to complement existing food subsidy programs of the government so that the poor can
19 engage in productive activities. These shall promote food self-sufficiency among the poor.

20
21 *4.2. The Right to Employment and Livelihood.*- The Department of Labor and Employment
22 (DOLE), in coordination with the POs, National Anti-Poverty Commission (NAPC), Local
23 Government Units (LGUs), and relevant government agencies and government financial
24 institutions, shall primarily be responsible for providing facilitation assistance to the poor to
25 ensure better access to livelihood opportunities and employment openings in private enterprises
26 and in government programs and projects. The DOLE and other concerned government agencies
27 are likewise tasked to address the emergency employment needs of displaced families.

28

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

5
6 4.3. *The Right o Quality Education.* - The right of the poor to free public elementary and
7 secondary education shall not be impaired.

8
9 The right to education shall include access to quality education at the college level. Consistent
10 with the government's goal of providing socialized college education, including the student loan
11 or study-now-pay-later plans, programs on education shall be expanded in state/local/private
12 universities and colleges, as well as higher education institutions: *Provided,* That the students
13 qualify and maintain good academic standing: *Provided further,* That the students enrol in
14 priority courses, as determined by the Commission on Higher Education (CHED).

15
16 It shall also include the right to avail of quality technical vocational education and training
17 through scholarships, subsidies and financial assistance, to ensure access to decent and
18 productive employment.

19
20 At least five percent (5%) discount shall be granted by establishments that sell reference books
21 for college and school supplies to poor but deserving students, subject to the guidelines to be
22 issued by CHED: *Provided,* That these establishments may claim the cost as allowable tax
23 deduction from the gross income in the computation of their income tax in accordance with the
24 provisions of the National Internal Revenue Code of 1997, as amended.

25
26 The Department of Education (DepEd), CHED and the Technical Education and Skills
27 Development Authority (TESDA), in cooperation with government agencies concerned, shall
28 ensure the full enjoyment of the poor of the right to education.

1 4.4. *The Right to Shelter.*- The right of the poor to decent housing shall not be abridged. The
2 government shall develop and implement a housing program for the poor which shall include a
3 well-targeted and responsive subsidy scheme that will provide decent housing with the least
4 financial burden.

5
6 In such cases, the government, in ensuring the exercise and enjoyment of the right of the poor,
7 shall put in place a system consisting of simple requirements and procedures, and expeditious
8 processing and approval. The government, through the Housing and Urban Development
9 Coordinating Council (HUDCC) and the National Housing Authority (NHA), in coordination
10 with the LGUs, shall prioritize the implementation of the socialized housing and resettlement for
11 the poor specially those residing in hazardous or danger zones.

12
13 The implementers of the socialized housing and resettlement programs shall enjoy the incentives
14 stated in Section 20 of Republic Act No. 7279, otherwise known as the “Urban Development and
15 Housing Act of 1992”.

16
17 4.5. *The Right to Basic Health Services and Medicines.* - The LGUs shall ensure and promote
18 the health of their populace in a rational manner, including the availability of quality primary
19 healthcare services and access to secondary and tertiary healthcare services and public healthcare
20 programs.

21
22 The Department of Health (DOH) shall provide the highly specialized level of quality health care
23 in a rational manner as well as technical assistance to LGUs, POs and other members of civil
24 society in effectively implementing programs, projects and services that will promote the health
25 and well-being of every Filipino, especially poor.

26
27 The Philippine Health Insurance Corporation (PhilHealth), in coordination with the DOH, shall
28 ensure that every Filipino, especially the poor, is covered and entitled to an adequate package of
29 health services. The out-of-pocket expenses of every Filipino, especially the poor, shall be

1 substantially reduced, with the end view of totally eliminating such expenses. The current
2 payment and enrolment mechanisms shall also be reformed.

3
4 The DOH, LGUs and PhilHealth shall define an expanded health package that every citizen is
5 entitled to and can readily avail of. Clear responsibilities must be defined and allocated between
6 the three partners, ensuring also that services provided are consistent with the epidemiological
7 profile and population needs.

8
9 4.6. *Other Rights of the Poor.* - All other rights and benefits for the poor provided under existing
10 laws shall remain in full force and effect. Nothing herein shall be construed to diminish the
11 enjoyment of such rights by the poor who shall have the right to avail of the greater rights or
12 benefits offered by existing laws, including those granted under this Act.

13
14 **SEC. 5. *System for Targeting Beneficiaries.*** - The DSWD, in coordination with NAPC
15 and other relevant government agencies, LGUs, NGOs, and POs, shall come up with a single
16 system of classification to be used for targeting beneficiaries of the government's anti-poverty
17 programs and projects to ensure that such programs reach the intended beneficiaries.

18
19 **SEC.6. *Funding Requirements.*** - The funding for the pro-poor programs and projects
20 implemented under this Act shall be taken from the existing appropriations of the different
21 departments and agencies implementing pro-poor programs. In addition to these, funding shall be
22 taken from the following:

- 23 (a) Twenty percent (20%) of the share of the national government in the earnings of the
24 Philippine Amusement and Gaming Corporation (PAGCOR);
25 (b) Fifty percent (50%) of the share of the national government in all lotteries conducted
26 by the Philippine Charity Sweepstakes Office (PCSO);
27 (c) Fifty percent (50%) of the share of the government in the proceeds from sale or
28 disposition of sequestered assets; and

1 (d) Fifty percent (50%) of the proceeds from the sale or disposition by public auction of
2 goods or articles forfeited in favour of the government by the Bureau of Customs
3 (BOC).
4

5 Deficiencies in the existing appropriations of the pro-poor programs of the different department
6 and agencies shall be included in the General Appropriations Act of the year following the
7 enactment of this Act and thereafter.
8

9 **SEC. 7. Rational Allocation of Funds.** – The Department of Budget and Management
10 (DBM) shall be principally responsible for the efficient and rational allocation of available
11 funding requirements as may be needed by the different government departments and agencies in
12 implementing this act.
13

14 **SEC. 8. Private Sector Participation.** – The private sector is highly encouraged to be an
15 active partner for the empowerment of the basic sectors.
16

17 As such, the DSWD, DOLE, DepEd, DOH, NAPC, DA, CHED, TESDA, HUDCC, NHA are
18 hereby authorized to solicit donations, aids or grants, in cash or in kind, from whatever source,
19 and/or enter partnerships with private/public institutions to meet the demands of the basic rights
20 to food, employment and livelihood, quality education, shelter, basic health services and
21 medicine, and other rights.
22

23 **SEC. 9. Tax Exemptions.** – Any donation, contribution or grant which may be made to
24 the programs and projects entered into pursuant to this law shall be exempt from the donor's tax
25 and the same shall be considered as allowance deduction from the gross income in the
26 computation of the income tax of the donor in accordance with the provisions of the "National
27 Internal Revenue Code of 1997," as amended.
28

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

5
6 **SEC. 11. *Consultative Council.*** – A convergence of all anti-poor agencies of the
7 government, composed of the NAPC, DWSD, PCUP, LGUs, one representative each from the
8 Civil Society Organizations (CSOs) and People’s Organizations (POs), shall be formed into a
9 Consultative Council to ensure the continuity and institutionalization of all the initiatives and
10 programs of the government for the poor. The council is tasked to strengthen the mechanism and
11 uniformity of procedures in the implementation of the program.

12
13 **SEC.12. *Implementing Rules.*** – The NAPC, DSWD, LGUs in coordination with the
14 concerned government departments and agencies, shall promulgate rules and regulations to carry
15 out the provisions of this Act within three (3) months from its effectivity. The rules shall set
16 priority target areas for the initial implementation of this Act, with the end in view of ensuring
17 the successful replication of the program nationwide.

18
19 **SEC. 13. *Compliance Report.*** – The NAPC, in coordination with all government
20 departments and agencies concerned, shall within six (6) months thereafter, submit a report to
21 Joint Congressional Oversight Committee on the compliance with the provisions of this Act.

22
23 **SEC. 14. *Separability Clause.*** – If any provision of this Act is declared unconstitutional,
24 the other provisions not affected thereby shall remain in full force and effect.

25
26 **SEC. 15. *Repealing Clause.*** – All laws, decrees, orders, rules and regulations or parts
27 thereof which are inconsistent with the provisions of this Act are hereby repealed or modified
28 accordingly.

29

1 **SEC. 16. *Effectivity.*** - This Act shall take effect fifteen (15) days after its publication in
2 two (2) national newspapers of general circulation.

3

Approved,