

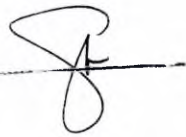
NINETEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)



'22 JUL 12 A11 :21

SENATE

S. B. NO. 359

RECEIVED BY 

Introduced by **SENATOR JOEL VILLANUEVA**

**AN ACT PROVIDING FOR A MAGNA CARTA FOR WORKERS IN
THE INFORMAL ECONOMY AND FOR OTHER PURPOSES**

EXPLANATORY NOTE

The International Labour Organization (ILO) defines the informal economy as consisting of dependent, self-employed small-scale producers and distributors of goods and services,¹ or workers who are not, or are otherwise insufficiently, covered by formal work arrangements.² In a survey conducted in 2008, the then National Statistics Office (NSO) and the United Nations Economic and Social Commission for Asia and the Pacific (UN ESCAP) found that there were approximately 10.5 million informal sector operators in the Philippines.³

In 2018, the Informal Sector Survey conducted by the Philippine Statistics Authority estimates that there are about 15.68 million informal or self-employed workers nationwide.⁴ This number represents more than one third of the estimated 43 million workforce in the country in 2018.⁵

The contribution of workers from the informal economy to the overall economic health of the country cannot be gainsaid. The informal economy allows for the creation and production of economic opportunities, most especially for those who cannot integrate into the formal economy.⁶ Regrettably however, while the informal

¹ Informal Economy in the Philippines. International Labour Organization. Available at <https://www.ilo.org/manila/areasofwork/informal-economy/lang--en/index.htm> (date last accessed: July 21, 2020).

² Magna Carta of Workers in the Informal Economy. Philippine Commission on Women. Available at <https://www.pcw.gov.ph/wpla/-magna-carta-workers-informal-economy> (date last accessed: July 21, 2020).

³ Informal sector operators counted at 10.5 million (Results from the 2008 Informal Sector Survey). Philippine Statistics Authority. Available at <https://psa.gov.ph/content/informal-sector-operators-counted-105-million-results-2008-informal-sector-survey> (date last accessed: July 21, 2020). <https://psa.gov.ph/statistics/survey/labor-and-employment/labor-force-survey/title/Employment%20Situation%20in%20July%202018>

⁴ Available at: <https://pcw.gov.ph/magna-carta-of-workers-in-the-informal-economy/>

⁵ Available at: <https://psa.gov.ph/statistics/survey/labor-and-employment/labor-force-survey/title/Employment%20Situation%20in%20July%202018>

⁶ *Supra*, note 2.

economy serves as a real driving force of the country's economy, the workers and actors in the informal economy remain largely "not covered by the country's labor laws and regulations." In simpler terms, the informal economy as a whole has little protection from the law.

This paradox is highlighted even more in the face of the Constitutional prescriptions requiring the State to "promote a just and dynamic social order that will... free the people from poverty through policies that provide adequate social services, promote full employment, a rising standard of living, and an improved quality of life for all";⁷ and "protect the rights of the workers and promote their welfare";⁸ and "afford full protection to labor."⁹

Thus, the proposed bill, among others, seeks to remedy this shortcoming in our legal system by affirming and establishing as a matter of law the rights, protection, and security afforded to workers and economic units in the informal sector, including rights and labor standards guaranteed to all workers and the entire labor force under the Constitution and relevant labor laws.

The proposed bill likewise affirms and protects the right of the informal sector workers to organize and perform legitimate activities as an organization. Additionally, it directs key government agencies to support and institutionalize social security measures and protection for the informal sector. The proposed bill also seeks to afford the informal workers, economic units, and own-account workers preferential treatments, policy and infrastructure support, and measures intended to help the informal sector thrive and flourish as a successful and formidable economic force. This includes capacity-building for own-account workers to access e-marketing facilities that will especially remove middle men in the transaction and facilitate the sale of produce or products directly to the consumers. Our experience during the Enhanced Community Quarantine (ECQ) in 2020 has greatly emphasized the need to directly connect these workers to the consumers in order to facilitate the continuous movement and sale of goods and products.

Lastly, this bill also mandates the Department of Social Welfare and Development (DSWD), in coordination with the Department of Interior and Local Government (DILG), Department of Information and Communications Technology (DICT), the Department of Labor and Employment (DOLE), and other appropriate government agencies, to establish a system of registration of workers in the informal economy. The need for such a registry has been all the more highlighted by the alleged chaotic distribution of financial assistance during the ECQ.

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

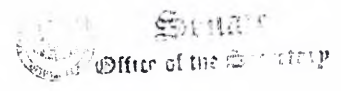

SENATOR JOEL VILLANUEVA *JV*

⁷ Constitution, Article II, Section 9.

⁸ *Id.*, Section 18.

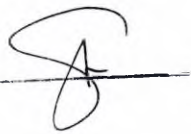
⁹ *Id.*, Article XIII, Section 3.

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Introduced by SENATOR JOEL VILLANUEVA

**AN ACT PROVIDING FOR A MAGNA CARTA FOR WORKERS IN
THE INFORMAL ECONOMY AND FOR OTHER PURPOSES**

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

**Chapter I
GENERAL PRINCIPLES**

- 1 **SECTION. 1. Short Title.** – This Act shall be known as the “Magna Carta for
2 Workers in the Informal Economy.”
3
- 4 **SEC. 2. Declaration of Policy.** – It is hereby declared the policy of the State to:
5
 - 6 (a) Promote a just and dynamic social order that shall ensure the prosperity and
7 independence of the nation, and free the people from poverty through policies
8 that provide adequate social services, promote decent, sustainable, and full
9 employment, a rising standard of living, and an improved quality of life for all;
10
 - 11 (b) Protect, promote, and fulfill the rights of every worker, including gender equity,
12 non-discrimination, the right to self-organization, just and humane conditions of
13 work, access to social protection programs and services, access to justice,
14 security of and in the workplaces, and the right to represent their organizations
15 in a continuing process of consultation, social dialogue, and tripartite bodies;
16 and
17
 - 18 (c) Establish an integrated and coherent policy, at all levels of government, of
19 formalization of informal economic units and informal economy workers, and
20 make them visible in all relevant national and local statistics.
21
- 22 **SEC. 3. Coverage.** – This Act shall apply to all workers and economic units,
23 including enterprises, entrepreneurs, and households in the informal economy, in
24 particular:

- 1
2 (a) The self-employed workers, own-account workers and employers, members of
3 cooperatives, and members of other social and solidarity economy units;
4
5 (b) Home-based workers or contributing family workers, irrespective of whether
6 they work in economic units in the formal or informal economy;
7
8 (c) Employees holding informal jobs in or for formal enterprises, or for economic
9 units in the informal economy, including those in contract arrangement and/or in
10 supply chains, or as paid domestic workers employed by households;
11
12 (d) Workers in unrecognized or unregulated employment relationships;
13
14 (e) Agricultural workers or fisherfolk in unrecognized or unregulated agricultural or
15 farming endeavors and fishing activities; and
16
17 (f) Non-regular domestic workers.

18
19 **SEC. 4. Definition of Terms.** – As used in this Act, the following terms shall mean:
20

- 21 (a) “Informal Economy” refers to all economic activities by workers and economic
22 units that are, in law or in practice, not covered or insufficiently covered by
23 formal arrangements and does not cover illicit activities;
24
25 (b) “Economic Units in the Informal Economy” include units that employ hired labor,
26 units that are owned by individuals working on their own account, either alone
27 or with the help or contributing family workers, cooperatives and other social
28 and solidarity economy units, and informal work that may be found across all
29 sectors of the economy, in households, as well as public and private spaces;
30
31 (c) “Informal Economy Workers’ Organization” refers to a group of informal sector
32 workers, whether formally constituted or otherwise, that are organized with the
33 primary objective of promoting the rights and welfare of workers in the informal
34 economy;
35
36 (d) “Informal Employment or Work” refers to an employment or work arrangement
37 with no legal protection and social benefits, unrecognized or unregulated, either
38 in the formal or informal sector whether public or private, or in households
39 either based on casual or contractual employment, kinship, or personal and
40 social relations;
41
42 (e) “Own-account worker” refers to workers who, working on their own account or
43 with one or more partners, hold the type of job defined as a self-employed job,
44 and have not engaged, on a continuous basis, any employee to work for them
45 during the reference period;
46
47 (f) “Security of and in the Workplace” refers to the right of every worker and
48 informal economic units to an environment that guarantees and protects the
49 spaces to undertake their work, including the right to be safe in one’s own work

1 space, security of tenure and freedom from discrimination, risk, danger, doubt,
2 anxiety, or fear of being removed, evicted, or prevented from working;
3

4 (g) "Social Protection" refers to policies and programs that seek to reduce poverty
5 and vulnerability to risks and enhance the social status of the marginalized by
6 promoting and protecting livelihood and employment, protecting against
7 hazards and sudden loss of income, and improving people's capacity to
8 manage risk, as well as all other interventions that support communities,
9 households, and individuals, both women and men, and realizing their rights as
10 citizens through their full participation in decision-making affecting or which may
11 affect their access to and control over resources necessary to maintain and
12 sustain a decent and secure life;
13

14 (h) "Social and Solidarity Economy Units" refers to enterprises and organizations,
15 including cooperatives as defined under Republic Act No. 9520, otherwise
16 known as the Philippine Cooperative Code of 2008, mutual benefit societies,
17 associations, foundations, and social enterprises which produce goods,
18 services, and knowledge that meet the needs of the community they serve,
19 through the pursuit of specific economic and social objectives and the fostering
20 of solidarity.
21

22 Chapter II 23 RIGHTS AND BENEFITS 24

25 **SEC. 5. Rights and Benefits of Workers in the Informal Economy.** – Workers
26 in the informal economy shall be entitled to all the rights accorded to workers by the
27 Philippine Constitution, the Labor Code of the Philippines, as amended, and relevant
28 international human rights instruments and international labor standards.
29 Accordingly, the State shall guarantee all workers in the informal economy the
30 following:
31

32 (a) Right to security of and in the workplace;
33

34 (b) Right to make a living by work freely chosen or accepted;
35

36 (c) Right to just and favorable conditions of work, including provision for work-life
37 balance, child care, and other facilities;
38

39 (d) Right to a living wage and equal remuneration for work of equal value without
40 distinction of any kind, especially for women who shall be guaranteed equal
41 wages for work similar or equivalent to those done by men;
42

43 (e) Right to equal opportunity for promotion, subject to no other considerations
44 than seniority and competence;
45

46 (f) Right to safe and healthy working conditions, safeguarding general,
47 occupational, and reproductive health;
48

- 1 (g) Right to basic services, including affordable medical care, reproductive and
2 other health services, low-cost housing, water, sanitation, cheap and affordable
3 electricity, and efficient and effective transportation system;
4
- 5 (h) Right to rest, leisure, and reasonable limitation of working hours;
6
- 7 (i) Right to maternity and paternity benefits, as provided for by law;
8
- 9 (j) Right to equal access to education, skills training, and economic resources to
10 develop self-reliance, especially for the youth, without any discrimination;
11
- 12 (k) Right to self-organization and to collectively negotiate with government and
13 other entities in the promotion of their welfare and in the advancement of their
14 interests, free from any political interference;
15
- 16 (l) Right to adequate food, clothing, shelter and standard of living, and the
17 continuous improvement of such standard;
18
- 19 (m) Right to be free from any form of discrimination, violence, exploitation, including
20 sexual exploitation, harassment, abuse, and any form of inhumane treatment
21 which debases, degrades, or demeans the intrinsic worth and dignity of the
22 worker as a human being;
23
- 24 (n) Right to accessible social protection and safety nets, labor market programs,
25 and social welfare interventions such as social security, health care, and
26 insurance;
27
- 28 (o) Right to participate in policy and decision-making processes and social
29 dialogue, including access to information and resources relevant to the
30 promotion and protection of their rights and welfare; and
31
- 32 (p) Right to equal and equitable access to justice for redress of grievances,
33 including alternative dispute resolution processes.
34

35 **SEC. 6. Rights and Benefits of Own-Account Workers.** – In addition to the rights
36 of workers in the informal economy, own-account workers, as well as informal
37 economic units, being the working poor's primary instruments to address and
38 overcome poverty, shall be accorded preferential rights by the State over the
39 following:
40

- 41 (a) Infrastructure support, such as farm to market roads, common, affordable, and
42 secure workplaces and facilities, merchandising centers, farmers' markets or
43 *bagsakan* with proper storage facilities, and inventory bulk-buying centers;
44
- 45 (b) Policy support to ensure the unimpeded transport of their produce or products;
46
- 47 (c) Policy support to promote and protect locally-produced products and services,
48 including enhancement of the local value chain;
49

- 1 (d) Ease and facilitation of access to markets, including capacity-building to access
2 e-marketing facilities that will especially remove middle men in the transaction
3 and facilitate the sale of produce or products directly to the consumers;
4
- 5 (e) Access to affordable, appropriate, and adequate financial services, including,
6 among others, collateral-free and gender-balanced credit at low interest;
7
- 8 (f) Access to appropriate and adequate machinery, equipment, and other
9 technologies, with the end view of increasing productivity and growth;
10
- 11 (g) Protection from unjust dislocation from places where economic activities are
12 conducted, observing the policy of "relocation before demolition";
13
- 14 (h) Measures against racketeering, extortion, and harassment, by both State and
15 non-State elements;
16
- 17 (i) Common workplaces, shared facilities, product development and technology
18 support, and adequate and affordable marketing facilities;
19
- 20 (j) Freedom from deprivation of property without valid cause and due process of
21 law; and
22
- 23 (k) Affordable and customized social security and insurance programs.
24

25 **SEC. 7. Rights of Legitimate Organization of Workers in the Informal Economy**
26 **or Employment.** – Workers in the informal economy or employment may organize
27 into unions, cooperatives, social and solidarity economic units' organizations, and
28 mutual benefit associations. Organization of workers in the informal economy or
29 employment shall register with the Department of Labor and Employment (DOLE)
30 and shall have the right to:
31

- 32 (a) Freely function and act as the representatives of their members in policy and
33 decision-making processes, collective negotiations, tripartite bodies and
34 consultations, multi-sectoral and other similar bodies;
35
- 36 (b) Establish, join, or affiliate with national federations or confederations and
37 international trade union organizations;
38
- 39 (c) Access information from concerned government institutions and other parties
40 that are pertinent to the protection and promotion of the rights and welfare of
41 their members;
42
- 43 (d) Own property, whether real or personal, for the use and benefit of their
44 organizations and members;
45
- 46 (e) Sue and be sued under their registered name; and
47
- 48 (f) Undertake all other activities, not contrary to law, designed to benefit their
49 organizations and members.
50

1 **SEC. 8. Assistance to Organizations of Workers in the Informal Economy.** –
2 The State shall promote and support the formation of organizations among
3 marginalized farmers, fisherfolk, women, and workers in the informal economy or
4 employment, whether in manufacturing, agriculture, transport, retail, services, or
5 home-based enterprises.

6
7 Towards this end, all national government agencies, government financial
8 institutions, and local government units' plans, programs, and policies shall foster an
9 atmosphere conducive to the exercise of the right to self-organization of the workers
10 in the informal economy. Such policies shall also facilitate and promote access to
11 credit, skills training, and inputs at lower cost. These policies shall also be geared
12 towards assisting such workers in obtaining fair prices for their produce or products
13 and ensuring uninterrupted supply chain for the efficient, effective and economical
14 transport of their products to consumers.

15
16 **Chapter III**
17 **SECURITY IN THE WORKPLACE OF WORKERS IN THE**
18 **INFORMAL ECONOMY OR EMPLOYMENT**
19

20 **SEC. 9. Designation of Workplaces.** – Local Government Units (LGUs), in
21 coordination with legitimate organization of workers in the informal economy and
22 their members, affected communities, and other relevant groups, shall identify,
23 designate, and design a system of assignment on the following:
24

25 (a) Productivity and merchandizing centers as viable workplaces for informal
26 workers, which may include markets and vacant areas near markets, vacant
27 public spaces and other spaces which may be a private property that the LGU
28 may acquire, lease, or negotiate with legitimate organization of workers in the
29 informal economy for lease under a memorandum of agreement; and
30

31 (b) Routes, terminals, and specific lanes for small transport workers.
32

33 **SEC. 10. Policy on Eviction and Demolition.** – Workers in the informal economy
34 or employment shall not be evicted from their homes and workplaces without any
35 legal ground as provided under Republic Act No. 7279, otherwise known as the
36 "Urban Development and Housing Act of 1992." They shall also be provided with the
37 same or similar livelihood opportunities, adequate water and electricity and decent
38 conditions of living in accordance with law. Logistical viability for the displaced shall
39 be given priority in the course of determining the relocation sites or areas.
40

41 **SEC. 11. Policy on Confiscation of Materials and Impounding of Vehicles.** – In
42 cases where demolition or eviction is warranted by appropriate court order, the
43 public officer or government agency that conducted the same shall ensure non-
44 violence and shall issue an itemized receipt of all products, goods, and other
45 materials seized or confiscated from vendors and other affected workers in the
46 informal economy or employment. In no event shall these products be destroyed or
47 discarded in the course of such demolition or eviction.
48
49

1 Tricycles, pedicabs, and other modes of transportation shall not be impounded for
2 violations of license, registration, or traffic regulations unless the said vehicles were
3 utilized in the conduct of criminal activities. In cases of violation of traffic regulations,
4 a traffic violation ticket shall be issued to the erring driver without impoundment.
5

6 **SEC. 12. Policy on Relocation of Vending Sites.** – Before any public market is
7 closed, sold, or demolished, all market vendors shall first be relocated by the LGU to
8 a temporary or new public market. Notice of the intention to close, sell, or demolish
9 any public market shall be made to all concerned vendors at least sixty (60) days
10 before the actual transfer or relocation to another market site. Within the sixty-day
11 period after issuance of notice, the LGU shall conduct consultations with affected
12 vendors on the relocation site and implementation of the relocation.
13

14 Vendors, ambulant or otherwise, occupying or selling in public places not previously
15 designated as vending sites shall be provided notice of transfer at least fifteen (15)
16 days before the actual transfer to the designated vending site. The fifteen (15)-day
17 notice shall likewise apply to vendors granted with permits but whose workplaces are
18 withdrawn from the list of allowable vending sites. Any change in the list of allowable
19 vending sites shall only be done after consultation with the affected vendors.
20

21 In the event that a new public market is constructed in place of an old one, market
22 vendors with stalls displaced from their workplaces shall be given priority in the
23 assignment of stalls in the new market.
24

25 **SEC. 13. Policy on Relocation of Terminals and Change of Route.** – Relocation
26 of designated terminals for tricycles, pedicabs, jeepneys and other similar modes of
27 transportation and any change of route shall not be arbitrarily carried out without
28 prior notice and consultation with the drivers and/or transport groups concerned,
29 legitimate organizations of workers, affected community, and other relevant sectors.
30 The relocation of terminals and change of route shall be implemented through an
31 ordinance, the enactment of which shall be subject to the required consultation and
32 notice of intention as provided in the immediately preceding section.
33
34

35 **Chapter IV**
36 **SOCIAL PROTECTION FOR THE INFORMAL SECTOR**
37

38 **SEC. 14. Formalization of the Social Protection Floor.** – The State shall support,
39 sustain, enhance, or institutionalize the social protection floor initiative through
40 convergence of the resources of various agencies of the government for continuous
41 social security and health insurance subsidies to vulnerable and other informal
42 workers, as well as initiate programs for the unemployed, children, and older persons
43 based on applicable and ever improving standards.
44

45 **SEC. 15. Social Welfare and Safety Nets.** – The Department of Social Welfare and
46 Development (DSWD), in coordination with the DOLE, Department of Agriculture
47 (DA) and other government agencies, shall consolidate all social welfare programs
48 and safety nets to address the needs of the workers in the informal economy,
49 including direct assistance, policy development, and community engagement for the
50 workers.

1
2 **SEC. 16. Role of the Department of Labor and Employment.** – The DOLE shall
3 engage in labor market interventions that shall provide adequate protection and
4 enable transition of workers in the informal economy to formal work arrangements. It
5 shall ensure timely and immediate action for labor concerns, as well as job
6 generation, and other pertinent concerns.
7

8 **SEC. 17. Social Insurance.** – Social insurance programs including Social Security,
9 Pag-ibig (Home Development Mutual Fund), and universal health care shall be made
10 fully available to workers in the informal economy. For this purpose, policies and
11 mechanisms for their full utilization and benefit shall be formulated by the Social
12 Security System, HDMF, and the Philippine Health Insurance Corporation.
13

14
15 **Chapter V**
16 **LABOR STANDARDS AND ENFORCEMENT OF LABOR LAWS**
17 **FOR WORKERS IN THE INFORMAL ECONOMY**
18

19 **SEC. 18. Applicability of the Provisions of the Labor Code.** –The provisions of
20 the Labor Code particularly, the minimum age requirement, general labor standards
21 and occupational safety and health shall be adapted to work, engagement or
22 employment in the informal economy.
23

24 **SEC. 19. Prohibited Acts Specific to Workers in the Informal Economy.** – The
25 following are deemed prohibited:
26

27 (a) **Non-compliance with Minimum Labor Standards and Occupational Health**
28 **and Safety Standards.** The terms and conditions of employment of workers in
29 the informal economy shall not be lower than the minimum standards set by
30 law. The lack of formality of the work arrangement between the employer and
31 the worker or intermittency of work shall not mean the absence of an
32 employment relationship in the informal economy; it is sufficient that there is
33 control on how the work is to be done at the time of the engagement or
34 economic dependence of the worker on the employer is present.
35

36 In all cases, the employment agreement shall be explained to the worker, and
37 be in a language that is easily understandable to the worker. The worker shall
38 also be furnished a copy of such employment agreement for his records.
39

40 (b) **Recruitment or Finders' Fees.** Regardless of whether the worker was sourced
41 either through an employment agency or a third party, workers in the informal
42 economy shall neither be charged nor levied a recruitment fee or finders' fee by
43 the employment agency or third party.
44

45 (c) **Hazardous Work and Conditions.** Workers in the informal economy shall not
46 be engaged to do hazardous work, activity, or undertaking, or be exposed to
47 hazardous working conditions. The rights of all workers under Republic Act No.
48 11058, otherwise known as An Act Strengthening Compliance with
49 Occupational Safety and Health Standards and Providing Penalties for
50 Violations Thereof, shall be promoted and fulfilled.

1
2 (d) **Interference and Coercion.** Any person is prohibited from committing any of
3 the following acts of interference and coercion:

- 4
5 (1) Preventing any worker from upholding or exercising his/her rights;
6
7 (2) Preventing any worker from joining or assisting organization for purposes
8 not contrary to law;
9
10 (3) Preventing any worker from carrying out his/her duties or functions in an
11 organization, or to penalize the same for any lawful action performed in
12 that capacity and in the performance of his/her work or undertaking;
13
14 (4) Harassing, threatening, coercing, or intimidating any worker that has the
15 tendency or has the result of preventing him or her from performing his or
16 her duties and functions;
17
18 (5) Transferring, penalizing, or terminating the services of a worker without
19 valid or legal ground; and
20
21 (6) Other acts calculated to diminish the independence and freedom of
22 workers' organization to direct its own affairs.

23
24 (e) **Non-compliance with Republic Act No. 7610, as amended by Republic Act**
25 **No. 9231 in the employment of minors.** – In cases where minors are
26 contracted or hired to render work or services in any informal economic activity,
27 the DOLE and the LGU or a duly elected Barangay official where the work is to
28 be done shall ensure compliance with Republic Act No. 7610, as amended by
29 Republic Act No. 9231. The employer of the minors shall also provide them with
30 access to at least elementary or secondary education, either through traditional
31 schooling or alternative learning systems.

32
33 **SEC. 20. Visitorial and Enforcement Power of the Secretary of Labor and**
34 **Employment.** – The scope of the visitorial and enforcement power of the Secretary
35 of Labor under Article 128 of the Labor Code of the Philippines, as amended, shall
36 include employment and other work engagement in the informal economy.
37

38
39 **Chapter VI**
40 **POLICY COORDINATION AND DEVELOPMENT**

41
42 **SEC. 21. Function of National Economic Development Authority.** – The
43 Committee on Social Development of the National Economic Development Authority
44 (NEDA) shall develop policies and programs that shall:

- 45
46 (a) facilitate the transition of workers and economic units from the informal to the
47 formal economy to achieve inclusive development and to realize decent work
48 for all, while respecting workers' fundamental rights and ensuring
49 opportunities for income security, livelihoods and entrepreneurship;

1
2 (b) promote the creation, preservation and sustainability of enterprises and
3 decent jobs in the formal economy and the coherence of macroeconomic,
4 employment, social protection and other social policies; and

5
6 (c) prevent the informalization of the formal economy.

7
8 **SEC. 22. Informal Economy Initiatives of Local Development Council.** – The
9 Local Development Councils of all provinces, cities, and municipalities shall establish
10 a body of coordination, registration, and assistance for workers in the informal
11 economy within their respective jurisdictions.

12
13 The Local Development Councils shall also form a sectoral or functional
14 committee that shall facilitate the registration of informal economy workers.

15
16 **Chapter VII**
17 **REGISTRATION OF INFORMAL ECONOMY WORKERS**

18
19 **SEC. 23. Registration.** – The DSWD, in coordination with the Department of
20 Interior and Local Government (DILG), Department of Information and
21 Communications Technology (DICT), DOLE, and other appropriate government
22 agencies, shall establish a system of registration of workers in the informal economy.

23
24 The national and local governments shall review, revalidate, and reassess
25 such database as a tool for national and local planning and for other purposes every
26 two (2) years.

27
28 The registry of economic units shall take into account the different sub-
29 classifications in terms of asset size, number of workers, social insurance provided,
30 statutory benefits and wages, industry, geography, premises, sex, ethnicity,
31 vulnerability, and roles and functions. The database shall also indicate informal
32 economic units which may be categorized as livelihood enterprises and
33 entrepreneurial or growth-oriented informal businesses.

34
35 **CHAPTER VIII**
36 **FINAL PROVISIONS**

37
38 **SEC. 24. Penal Provision.** –

39
40 (a) Any person who shall willfully interfere with, restrain or coerce a worker in the
41 exercise of his or her rights or shall in any manner commit any act in violation of
42 any of the provisions of this Act shall, upon conviction, be punished by a fine of
43 not less than Twenty Thousand Pesos (Php20,000.00) or imprisonment of one
44 (1) to six (6) years or both fine and imprisonment at the discretion of the Court.

45
46 (b) If the offender is a public official, the Court, in addition to the penalties provided
47 in the preceding paragraph, may impose the additional penalty or
48 disqualification from public office.

1
2 (c) Any person who violates Section 11 of this Act (Policy on Confiscation of
3 Materials and Impounding of Vehicles) shall be liable. Nothing herein shall
4 prohibit the aggrieved workers in the informal economy from initiating a criminal
5 or civil action against the responsible person or officer.
6

7 (d) Failure to implement Sections 12 (Policy on Relocation of Vending Sites) and
8 13 (Policy on Relocation of Terminals and Change of Route) shall render the
9 responsible official/s administratively liable pursuant to Republic Act No. 7160
10 and other applicable laws, without prejudice to any civil or criminal cases that
11 may be filed against such erring official/s.
12

13 (e) If a private institution/company is found to have violated any provisions of this
14 Act, its business shall be suspended or revoked at the discretion of the Court.
15

16 **SEC. 25. Implementing Rules and Regulations (IRR).** – The DOLE, DILG, DSWD,
17 and NEDA, in coordination with other concerned government agencies and
18 stakeholders, shall formulate the implementing rules and regulations within 180 days
19 from the effectivity of this Act.
20

21 **SEC. 26. Separability Clause.** – If any provision of this Act is declared
22 unconstitutional or invalid, the provisions not affected shall continue to be in full
23 force and effect.
24

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

29 **SEC. 28. Effectivity.** – This Act shall take effect fifteen (15) days after its
30 publication in the Official Gazette.
31

32 **Approved,**