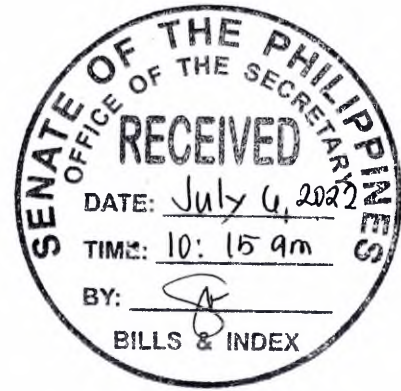


NINETEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
*First Regular Session* )

SENATE  
S. No. 45



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**Introduced by SENATOR JINGGOY EJERCITO ESTRADA**

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**AN ACT  
PROVIDING PROTECTION TO FREELANCERS AND FOR OTHER PURPOSES**

**EXPLANATORY NOTE**

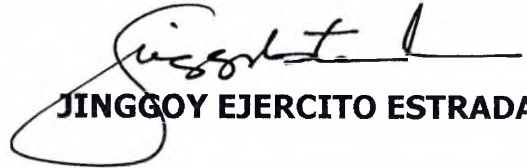
The onslaught of the Covid-19 pandemic disrupted the traditional work arrangements. The prospect of working in flexible hours, performing duties at the comfort of your own home, and the opportunity to get hired in multinational and foreign companies seemed attractive for many Filipinos. A lot of the members of our workforce are able to participate in this new wave of employment scheme. Many Filipinos, specially the younger generation, being digital and tech-savvy, fluent in the English language, armed with inherent creativity and resourcefulness saw great career opportunities in freelancing.

Still, there are causes for concern with respect to this relatively new work setup. A number of creative workers complain of failing to receive any or appropriate compensation for their output. Some freelance workers enter into this arrangement without the benefit of a written contract providing the terms and conditions of employment. Others fall outside the reach of social protection and welfare benefits.

This bill seeks to offer protection to the emerging labor sector. It provides the Labor Bill of Rights for Freelancers (Right to a written contract or agreement, Right to just compensation Right to self-organization, Right to be free from any form of discrimination, and abuse, to name a few) as it establishes standards to be implemented by the Department of Labor and Employment (DOLE).

This bill was reported out by the Senate Committee on Labor, Employment and Human Resources Development during the Eighteenth Congress.

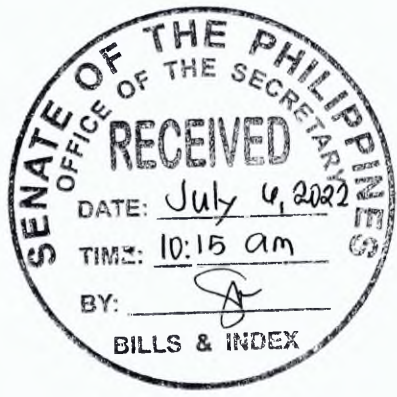
In view of promoting gainful employment and decent work and upholding the rights of Filipino workers under the so-called "Future of Work," the passage of this bill is hereby endorsed.



**JINGGOY EJERCITO ESTRADA**

NINETEENTH CONGRESS OF THE )  
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**AN ACT  
PROVIDING PROTECTION TO FREELANCERS AND FOR OTHER PURPOSES**

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

1 Section 1. *Short Title.* – This Act shall be known as the “*Freelancers Protection*  
2 *Act*”.

3 Sec. 2. *Declaration of Policy.* – It is the policy of the State to promote gainful  
4 employment and decent work for all workers. Towards this end, the State shall provide  
5 a regulatory framework that guarantees full protection to all workers in new forms of  
6 work arrangements, such as freelance work, whether in-person or through online  
7 platforms or gig economy, which has grown exponentially with technological  
8 development, and changing concepts of work and employer-employee relationship.

9 Sec. 3. *Coverage.* – This Act shall cover all freelancers, regardless of the  
10 profession, talent, skills, task, work or service required or to be rendered.

11 Sec. 4. *Definition of Terms.* – As used in this Act, the following terms shall  
12 mean:

- 13 (a) *Client* – refers to any foreign or Philippine-based person, company or  
14 entity, or platform provider who engages a freelancer to render specific  
15 task, work or service in-person or online;
- 16 (b) *Crowdwork* – refers to online work through platforms that connect vast  
17 numbers of clients, organizations, and businesses, often across borders.

1 It is performed online by an infinite number of workers for clients spread  
2 over large geographic distance;

3 (c) *Freelance workers or freelancer*– refers to any natural person who offers  
4 or renders a task, work or service through his or her freely chosen means  
5 or methods, free from any forms of economic dependence, control or  
6 supervision by the client, regardless of whether he or she is paid by  
7 results, piece, task, hour, day, job, or by the nature of the service as  
8 required;

9 (d) *Freelance work* – refers to the work that is infrequent, unpredictable  
10 and short term, and rendered in-person, online, or through any online  
11 web platforms, such as crowdwork, work on-demand or any digital  
12 lifestyle application;

13 (e) *Platform provider* – refers to any foreign or Philippine-based online web  
14 platform provider that connects workers with the consumer of work and  
15 facilitates the exchange of goods and services for money such as crowd  
16 work, work on-demand or any digital lifestyle applications, that provides  
17 facilities, accounts, and training for one or several freelancers in the  
18 Philippines;

19 (f) *Work-on-demand*– refers to the platform-facilitated yet place-based and  
20 geographically limited work;

21 (g) *Written contract* – refers to a document, whether electronic file or  
22 printed copy, reflecting the mutual consent of the parties to be bound  
23 by the terms and conditions of their freelance work engagement and the  
24 consideration for the services rendered by the freelancer.

25 **Sec. 5. Contractual Relations.** – The relationship between the client and the  
26 freelancer, absent proof of existence of employer-employee relationship, shall be  
27 governed primarily by applicable civil and commercial laws. In no case however, shall  
28 the terms and conditions thereof derogate the rights of workers guaranteed by the  
29 Philippine Constitution or be lower than the minimum standards provided by the Labor  
30 Code of the Philippines, as amended, or by industry standards and international labor  
31 standards.

1            *Sec. 6. Rights of Freelancers.* – The State shall accord the freelancers all the  
2 rights of workers guaranteed under the 1987 Philippine Constitution, applicable  
3 provisions of the Labor Code of the Philippines, as amended, and relevant international  
4 human rights instruments and international labor standards. For this purpose, the  
5 State shall ensure the formulation by concerned the agencies of policies and programs  
6 for the free agents eyes of the following:

- 7            (a) Right to a written contract or agreement;
- 8            (b) Right to just compensation and equal remuneration of work of equal  
9            value without manipulation or distinction of any kind;
- 10           (c) Right to safe and healthy working conditions;
- 11           (d) Right to self-organization and to collectively negotiate with the  
12           government, the client, and other entities for the promotion of their  
13           welfare and in the advancement of their rights and interests;
- 14           (e) Right to be free from any form of discrimination, violence, sexual  
15           harassment, and abuse;
- 16           (f) Right to representation and participation in policy and decision-making  
17           processes and social dialogue;
- 18           (g) Right to access their own data, information and resources for the  
19           promotion and protection of their rights and welfare;
- 20           (h) Right affordable and adequate financial services, including, among  
21           others, collateral-free and gender-balanced credit at low interest;
- 22           (i) Right to education and skills training;
- 23           (j) Right the social protection and social welfare benefits; and,
- 24           (k) Right to speedy redress of grievances, including alternative dispute  
25           resolution processes.

26           *Sec. 7. Standards for Freelance Work.* – The Department of Labor and  
27 Employment (DOLE) shall ensure:

- 28           (a) Compliance with the written contract between the freelancer and the  
29           client, which shall be in a language understood by both parties. Each  
30           party to the contract shall retain a copy thereof, and shall include, at the  
31           minimum, the following:

- 1) Itemization of all work and/or services to be provided by the freelancer and the terms and conditions of the engagement;
- 2) The rate and method of compensation, date on which the client shall pay the compensation or the mechanism by which such due date shall be determined;
- 3) The name and registered address of the client, and in the case of a foreign or foreign-based entity, the name and address of the local agent or representative, or any duly acknowledged representative based in the Philippines; and.
- 4) Any other terms and conditions that govern the performance of the mutual obligations of the parties that are not contrary to law, morals, good customs, public order or public policy.

In the absence of a written agreement, any written exchange or proof of submission and receipt of completed task, work or service subject of the freelance work engagement, whether electronic or printed, shall be sufficient basis for claim for compensation or payment against the client;

- (b) Registration of freelancers or freelancers' association in the DOLE registry of freelancers and provide them with labor market interventions and assistance: *Provided*, That registration with the DOLE shall not be construed as a requirement to be able to engage as a freelancer;
- (c) Free exercise of freelancers' right to self-organization and to collectively negotiate with the government, the client, and other entities for the promotion of their welfare and in the advancement of their rights and interests, and their representation and participation in policy and decision-making processes and social dialogue;
- (d) Observance of programs and policies on non-discrimination, absence of violence, sexual harassment, and abuse of freelance work environment; and
- (e) Entering into bilateral or multilateral agreements with countries where online web platforms are registered or located for the protection and enforcement of Philippine freelancers' rights.

1           Sec. 8. *Right to Access their Own Data and Information.* – The Department of  
2 Information and Communications Technology (DICT) shall conduct trainings for online  
3 freelancers, freelancers, and in coordination with the appropriate regulating agency,  
4 such as the Department of Transportation (DOTr) and the Department of Trade and  
5 Industry (DTI), ensure that freelancers engaged with or through platform providers  
6 or online web platforms shall have access to their own data, information and resources  
7 for the promotion and protection of their rights and welfare.

8           Sec. 9. *Right to Affordable and Adequate Financial Services.* – The DTI and  
9 other government financial institutions shall provide freelancers access to affordable  
10 and adequate financial services, including, among others, collateral-free and gender-  
11 balanced credit at low interest.

12           Sec. 10. *Right to Education and Skills Training.* – The Technical Education and  
13 Skills Development Authority (TESDA) and other government agencies, such as the  
14 Department of Science and Technology (DOST), DTI and DICT shall provide training  
15 and certifications for upskilling and entrepreneurial enhancement of freelancers.

16           Sec. 11. *Right to Social Protection and Social Welfare Benefits.* – The Social  
17 Security System (SSS), Philippine Health Insurance Corporation (PhilHealth) and Home  
18 Development Mutual Fund (HDMF) shall ensure a simplified and online registration  
19 and remittance process for freelancers as self-employed workers and provide easy  
20 access to members' benefits such as sickness and unemployment benefits.

21           Sec. 12. *Right to Simplified Tax Registration, Filing and Payment System.* – The  
22 Bureau of Internal Revenue (BIR) shall simplify and automate the registration process  
23 and minimize the requirements for the registration of freelancers. The BIR shall also  
24 further enhance the online filing of tax returns and payment of appropriate taxes,  
25 including online submission of requirements. It shall also provide assistance to  
26 freelancers in their application, registration, and processing of documents and other  
27 inquiries.

28           Sec. 13. *Right to Redress of Grievances, Including Alternative Dispute*  
29 *Resolution Process.* – The right of freelancers to seek redress for grievances and to  
30 avail of alternative dispute mechanisms in accordance with law shall be guaranteed.  
31 For this purpose, the DOLE shall conduct seminars on the legal recourses available to

1 freelancers, and as far as practicable, encourage the parties to a freelance work  
2 agreement to avail of alternative dispute mechanisms.

3       Sec. 14. *Payment; Burden of Proof.* – Except as otherwise provided under the  
4 contract entered into by the parties, the agreed compensation shall be paid in full not  
5 later than thirty (30) days after the completion of the task, work or service subject of  
6 the freelance work engagement.

7       The burden of proving the payment of the compensation or consideration due  
8 to the freelancer as agreed under the contract shall rest on the client, upon proof of  
9 performance or completion of the job or service contracted.

10       Sec. 15. *Prohibited Acts.* – The following acts shall be prohibited under this Act:

11       (a) *Contract Alteration.* Once performance of the work or service under the  
12 contract has commenced, no freelancer shall be required to accept less  
13 than the specified or agreed contract price, as a condition for the  
14 payment of the service or work rendered: *Provided,* That nothing herein  
15 precludes the parties from arriving at a settlement in good faith of a  
16 dispute arising out of or in connection with a contract or from agreeing  
17 to a modification of the contract in accordance with applicable laws.

18       (b) *Deduction.* No deduction shall be made on the agreed contract price or  
19 compensation, unless the parties have agreed otherwise, or such  
20 deduction is on account of payment of applicable taxes.

21       (c) *Waiver.* Except as otherwise provided by law, any provision of any  
22 contract entered into by a freelancer and a client purporting to waive  
23 any of the rights provided under this Act shall be void as against public  
24 policy.

25       Any person who commits any of the foregoing prohibited acts shall be meted a  
26 fine equivalent to up to three (3) times the contract price or compensation agreed  
27 upon in the contract between the freelancer and the client.

28       Sec. 16. *Public Awareness Program.* – The DOLE, DTI, DICT and other relevant  
29 agencies shall raise public awareness on the rights and welfare of freelancers.  
30 Information dissemination on the provisions of this Act, its implementing rules and  
31 regulations and capacity building on reasonable pricing of task, work or service,



1 payment methods, entrepreneurship and career development in freelance work shall  
2 also be conducted.

3       Sec. 17. *Prospective Application.* – This Act shall apply to contracts or  
4 agreements entered into on or after the effectivity of this Act.

5       Sec. 18. *Applicability to Freelancers in the Public Sector.* – The Civil Service  
6 Commission shall issue the appropriate rules and regulations applicable to freelancers  
7 in the public sector to ensure compliance with the rights and privileges granted to  
8 freelancers under this Act, subject to applicable laws, rules and regulations governing  
9 workers in the public sector.

10       Sec. 19. *Implementing Rules and Regulations.* – Within sixty (60) days from  
11 the effectivity of this Act, the DOLE, DTI, DICT, DOST, TESDA, DOTr, upon  
12 consultation with the BIR, SSS, PhilHealth and HDMF, and other relevant agencies and  
13 sectors, shall promulgate the implementing rules and regulations as may be necessary  
14 to carry out the provisions of this Act.

15       Sec. 20. *Separability Clause.* – If any provision or part hereof is held invalid or  
16 unconstitutional, the remainder of the law or the provision or part not otherwise  
17 affected shall remain valid and subsisting.

18       Sec. 21. *Repealing Clause.* – Any law, presidential decree or issuance, executive  
19 order, letter of instruction, administrative order, rule, or regulation contrary to or  
20 inconsistent with the provisions of this Act are hereby repealed, modified, or amended  
21 accordingly.

22       Sec.22. *Effectivity.* – This Act shall take effect fifteen (15) days after its  
23 publication in the *Official Gazette* or in a newspaper of general circulation.

*Approved,*