	ENATE No. <u>758</u>	RECEIVED BY	
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Introduced by SENATOR FRANCIS "TOL" N. TOLENTINO

AN ACT

PROVIDING FOR SALARY TRANSPARENCY IN JOB ADVERTISEMENTS, PROHIBITING INQUIRIES ON SALARY HISTORY, PROVIDING PENALTIES THEREFOR, AND FOR OTHER PURPOSES

Explanatory Note

It is the policy of the State to give full protection to the rights of workers and promote their welfare. In this regard, the State, under the Constitution and Presidential Decree No. 442, as amended, otherwise known as the "Labor Code of the Philippines," is mandated to promote full employment and equality of employment opportunities for all, regardless of sex, race, age, creed, or any other unreasonable classification.

This measure seeks to eradicate any form of discrimination in salary offers to prospective employees or workers by requiring covered employers to publicize salary offers in their job advertisements and by prohibiting employers from inquiring from prospective employees or workers their salary history. In so doing, it is with fervent hope that this bill will eliminate baseless or discriminatory hiring in the Philippine labor market and allow Filipino workers to receive their rightful compensation on the basis of their skills, qualification, and experience.

As such, the passage of this bill is earnestly sought.

FRANCIS "TOL" N. TOLENTINO

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

- Section 1. Short Title. This Act shall be known as the "Salary 1 Transparency Act of 2022." 2
- 3 **Section 2.** *Declaration of Policy.* – It is the declared policy of the State to protect the rights of workers, promote their welfare, and afford full protection for 4 the equality of employment opportunities for all regardless of sex, race, age, creed, or any other unreasonable classification. To achieve this policy, salary or salary 6 range in job advertisements shall be transparent to eradicate any form of baseless 7 8 discrimination and ensure equality in compensation for all on the basis of qualification. 9
- **Section 3.** *Definition of Terms.* As used in this law, the following terms 10 shall be understood, applied, and construed as follows: 11
 - Covered Employers refer to private employers with three or more (a) employees offering work to be performed, in whole or in part, in the Philippines;
- Salary Offer in Bad Faith refers to an offer to a successful applicant of 14 (b) an advertised job, promotion, or transfer opportunity, in which the actual salary offer 15

- is outside of the advertised salary or advertised salary range, and is attributed to any 1
- form of discrimination or is not supported by any justifiable reason. Justifiable 2
- reasons include the skills, qualifications, or experience of the applicant or sudden 3
- change in industry standard or company economic status from the time of posting of 4
- 5 the advertisement to the time of job offer;

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- 6 (c) Job Advertisements refer to any written description of an available job. 7 promotion, or transfer opportunity, whether for a position of a full- or part-time 8 employee, intern, independent contractor, consultant, and any other work rendered 9 for compensation, that is publicized to a pool of applications, regardless of the 10 medium of dissemination; and
- 11 (d) Salary refers to the gross monthly pay, hourly wage rate, or projectbased pay, whichever is applicable. Salary does not include other forms of compensation or benefits offered in connection with the advertised job, promotion, or transfer opportunity, such as health, life, or other employer-provided insurance, paid leaves, retirement or savings fund contributions, non-monetary benefits, and the like.
 - Section 4. Mandatory Salary Transparency. Covered employers must indicate in good faith the minimum and maximum salary that they are willing to pay for successful applicants of each advertised job, promotion, or transfer opportunity, except for covered employers with fixed salary offers, in which case, the fixed salary offer must be indicated in the job advertisement.
 - Section 5. Salary History. It is prohibited for employers to ask a job applicant about his or her salary and compensation history, unless such applicant volunteers the information in salary and benefits negotiations with the prospective employer.
 - Section 6. Penalty. In case of violation of Section 5 hereof, the covered employer shall:
- 28 (a) For the first offense, be given a notice to amend the job advertisement 29 and be required to amend the advertisement and postings and provide notices to the

- existing pool of applicants within thirty (30) days from receipt of notice from the
- 2 Department of Labor and Employment; and
- (b) For subsequent offenses and violations of Section 5 hereof, after due notice and hearing, be fined an amount not less than Thirty Thousand Pesos (Php30,000.00) but not more than One Hundred Thousand Pesos (Php100,000.00).
- In case of a salary offer in bad faith, the erring covered employer shall, after due notice and hearing, be fined with an amount not less than Two Hundred Thousand Pesos (Php200,000.00) but not more than Four Hundred Thousand Pesos (Php400,000.00).
- Section 7. *Implementing Rules and Regulations.* Within sixty (60) days from the effectivity of this Act, the Department of Labor and Employment shall issue the necessary rules and regulations to carry out the provisions of this Act.
- Section 8. Separability Clause. If any provision of this Act shall be held unconstitutional or invalid, the other provisions not otherwise affected shall remain in full force and effect.
 - **Section 9.** *Repealing Clause.* All laws, decrees, executive orders, proclamations, rules and regulations, and other issuances which are inconsistent with or contrary to the provisions of this Act are hereby amended, modified, or repealed accordingly.
- Section 10. *Effectivity Clause*. This Act shall take effect fifteen (15) days following its publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,

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