

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SEVENTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 5630



Introduced by **HON. LUIS RAYMUND "LRAY" F. VILLAFUERTE, JR.**

EXPLANATORY NOTE

More and more employers have expanded the traditional mode of on-site work to the adoption of flexible working arrangements such as the compressed workweek and telecommuting, among others. Institutionalizing new and alternative modes of working made possible through the use of modern technology is very timely in light of the worsening traffic situation in Metro Manila and the increasingly unpredictable weather.

The hours spent by Filipinos in traffic jams, both in going to work and in going back to their families, have an undeniable negative effect on public health, the environment and the economy. According to a CNN report, a 2012 study by Washington University in St. Louis noted that long commutes are associated with higher weight, lower fitness levels, and higher blood pressure—all strong predictors of heart disease, diabetes, and some types of cancer. The study notes that being exposed to the daily hassles of traffic can lead to higher chronic stress that makes people vulnerable to other diseases and depression.¹ On the other hand, a study conducted by the Japan International Coordination Agency (JICA) foresees the traffic costs in Manila to increase to P6 billion a day by 2030 from P2.4 billion per day in 2015.

This measure therefore seeks to institutionalize telecommuting or working through partial or total substitution of computers or telecommunication technologies, or both for commute to work by employees.

This measure does not seek to change employment status; it provides a new work arrangement that companies could engage. It has no effect in reclassifying an employee from regular to casual or contractual, or vice versa. Instead, the employers must ensure that telecommuting employees receive a fair treatment, considering

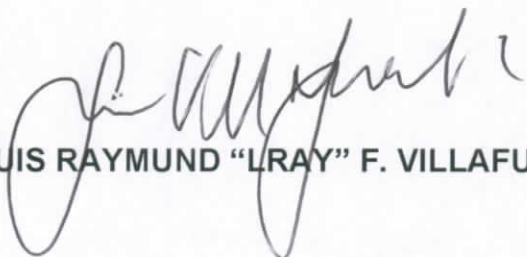
¹ <http://www.gmanetwork.com/news/lifestyle/healthandwellness/536203/stress-pollution-fatigue-how-traffic-jams-affect-your-health/story/>

This measure does not seek to change employment status; it provides a new work arrangement that companies could engage. It has no effect in reclassifying an employee from regular to casual or contractual, or vice versa. Instead, the employers must ensure that telecommuting employees receive a fair treatment, considering workload and performance standards, pay rate, including overtime and night-time work, and monetary benefits, access to training and career growth opportunities and collective rights.

Interest in the adoption of a telecommuting work policy is due to various reasons. On the side of the employer, businesses can cut costs from electricity to office supplies. Moreover, a results-oriented management technique proved to be effective in managing employees. On the side of the employees, increase in the effectiveness of workers is expected. It allows them to manage the boundaries between work and family better as well as maximize the use freed up time from commuting.

This measure is also projected to benefit employees who have mobility restrictions such as those with physical disabilities. Telecommuting may arguably offer fuller employment by increasing the employability of circumstantially marginalized groups such as work at home parents, the disabled, retirees, and people living in remote areas.

In view of the foregoing, the immediate passage of the bill, a counterpart measure to Senate Bill 1363 introduced by Senator Joel Villanueva and Senator Cynthia Villar, is earnestly sought.



LUIS RAYMUND "LRAY" F. VILLAFUERTE, JR.

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**AN ACT INSTITUTIONALIZING TELECOMMUTING IN THE
WORKPLACE AND FOR OTHER PURPOSES**

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

SECTION 1. Title. This act shall be known as the "*Telecommuting Act of 2017*"

SECTION 2. Declaration of Policy – It is hereby the policy of the State to affirm labor as a primary social economic force. To this end, it shall protect the rights of workers and promote their welfare, especially in light of technological development that has opened up new and alternative avenues for employees to carry out their work such as telecommuting and other flexible work arrangements.

SECTION 3. Telecommuting Defined – For purposes of this Act, the term "telecommuting" means the partial or total substitution of computers or telecommunication technologies, or both for commute to work by employees.

SECTION 4. Telecommuting Program – Employers shall be allowed to offer telecommuting program to its employees upon such terms and conditions as they may mutually agree. In all cases, the employer shall provide telecommuting employee with relevant written information in order to adequately apprise him/her of his/her responsibilities.

SECTION 5. *Fair treatment* – The employer shall ensure that its telecommuting employees are given the same treatment as that of comparable employees working at the employer's premises. The employer shall ensure, among others, that telecommuting employees shall:

- (a) Receive rate of pay, including overtime and nighttime work, and other similar monetary benefits not lower than applicable legislation and collective agreements;
- (b) Have the same or equivalent workload and performance of standards of the telecommuting employee;
- (c) Have the same access to training and career development opportunities as comparable workers at the employer's premises and are subject to the same appraisal policies as these workers;
- (d) Receive appropriate training targeted at the technical equipment at their disposal and at the characteristics of this form of work organization; and
- (e) Have the same collective rights as workers at the employer's premises and no obstacles are placed to communicating with workers representatives.

The employer shall also ensure that measures are taken to prevent the telecommuting employee from being isolated from the rest of the working community in the company, as giving him/her the opportunity to meet with colleagues on a regular basis and access to company information.

SECTION 6. *Data Protection* – The employer shall be responsible for taking the appropriate measures with regard to software to ensure the protection of data used and processed by the telecommuting employee for professional purposes. The employer shall inform the telecommuting employee of all relevant legislation and company rules concerning data protection. The telecommuting employee shall ensure that confidential and proprietary information are protected at all times.

For this purpose, the provision of Data Privacy Act of 2013 shall have suppletory effect.

SECTION 7. *Administration* – The parties to the telecommuting work arrangements shall be primarily responsible for its administration. In case of differences in interpretation, the following guidelines shall be observed:

(b) If there is no grievance mechanism or if this mechanism is inadequate, the grievance shall be referred to the Regional Office of the Department of Labor and Employment (DOLE) which has jurisdiction over the workplace for appropriate conciliation.

(c) To facilitate the resolution of grievances, employers are required to keep and maintain as part of their records, the documentary requirements proving that the telecommuting work arrangement was voluntarily adopted.

SECTION 8. *Telecommuting Pilot Program* – The DOLE shall establish and maintain a Telecommuting Pilot Program in select industries, which shall last for a period of not more than three (3) years. The DOLE shall be responsible for baselining, scoping and profiling research work prior to implementation, regular quarterly monitoring and evaluation. At the end of the period of the program, the DOLE shall submit a report to the Congress.

SECTION 9. *Implementing Rules* – Within 60 days from the effectivity of this Act, the Department of Labor and Employment shall, in consultation with relevant stakeholders, issue the appropriate implementing rules and regulations of this Act.

SECTION 10. *Separability Clause* – If any part or provision of this Act shall be declared unconstitutional and invalid, such declaration shall not invalidate other parts thereof which shall remain in full force and effect.

SECTION 11. *Repealing Clause* – All laws, executive orders, rules and regulations or any part hereof inconsistent herewith are deemed repealed or modified accordingly.

SECTION 12. *Effectivity* – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in at least two (2) newspaper of general circulation, whichever comes earlier.

Approved,