

REPUBLIC OF THE PHILIPPINES
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
First Regular Session

House Bill No. 6786



Introduced by **HON. KRISTINE ALEXIE B. TUTOR**
Third District, Bohol

EXPLANATORY NOTE

New technologies have brought about non-traditional ways of earning a living, and in the midst of the COVID19 pandemic and the extension of the Community Quarantines, more Filipinos have turned their attention to the digital or electronic economy to earn a living. Yet, even before the onset of COVID19, Filipinos have been cashing in on the so-called “gig economy” or digital freelancing.

The term “gig economy” surfaced in recent years as a term to describe the kind of work freelancers do. In the gig economy, people engage in short-term contracts allowing them to take several projects at a time. More ‘gigs’ mean more income. According to a 2019 report by Payoneer on ‘Global Gig Economy Index,’ the Philippines placed sixth in the world as the fastest-growing market for the gig industry, revealing a 35 percent growth in freelance earnings. Flexible working hours, higher income, and the ability to be their own boss are the main factors why Filipinos engage in freelancing.

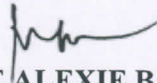
In recent years, online freelancing has grown significantly here in the Philippines. In Paypal’s 2018 Global Freelancer Insights Report, among the 22 countries included and analyzed, the Philippines has one of the highest freelancers per capita, at around two percent or roughly 1.5 to 2 million Filipinos, engaged in freelance work. In 2019, Forbes listed the Philippines in 6th place, for fastest growing market for freelancers, recording a 35% income growth from the previous year.

Clearly, online freelancing has become a viable option for many Filipinos — not only for those in urban centers, but also in far-flung, rural areas, where at times long-distance connectivity is only possible via information and communications technology (ICT). However, we need to establish a strong structure for this industry flourish.

This measure seeks to establish a legal framework covering online freelancing that will—map out strategies to promote and strengthen digital careers; institutionalize employment standards for digital career workers; and enhance the competitiveness of our digital workers through access to necessary trainings, skills development and scholarship programs.

By establishing the necessary policies in relation to online freelancing, we hope to provide ample and profitable employment to Filipinos online benefitting their families and our country.

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



HON. KRISTINE ALEXIE B. TUTOR

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AN ACT
SUPPORTING THE GROWTH AND DEVELOPMENT OF DIGITAL CAREERS IN
THE PHILIPPINES

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

ARTICLE I

STATE POLICIES AND BASIC PRINCIPLES

SECTION 1. *Short Title.* – This Act shall be known as the “National Digital Careers Act”.

SEC. 2. *Declaration of State Policy.* – The State, recognizing of the impact of the Fourth Industrial Revolution to employment and nature of jobs, shall encourage the development of digital careers across all sectors of society. In furtherance thereof, the State shall ensure that Filipino workers remain competitive and possess skills and competencies at par with global standards in the digital economy. To this end, the State shall, promote the skilling, upskilling, and re-skilling of the Filipino workforce to support the impact of digital transformation across all industries and shall create and adopt standards for digital careers.

ARTICLE II

DEFINITION OF TERMS

SEC. 3. *Definition of Terms.* – The following terms as used in this Act shall mean:

- 1 (a) “*21st century skills*” refer to skills that are required by new jobs, such as critical
2 thinking, problem solving, good communication, collaboration, information and
3 technology literacy, flexibility and adaptability, and innovativeness and creativity;
- 4 (b) “*Advanced skills*” refer to those needed by specialists in ICT professions, such as
5 computer programming and network management;
- 6 (c) “*Co-working agency*” refers to a company that provides facilities, accounts, and
7 training for several independent contractors and engages the latter to provide
8 services to one or several companies but on a temporary basis;
- 9 (d) “*Digital career worker, freelancer, and freelance worker*” refers to a person who
10 is self-employed and is not necessarily committed to a particular employer long-
11 term. Freelance workers are sometimes represented by a company or a temporary
12 agency that resells freelance labor to clients; others work independently or use
13 professional associations or websites to get work;
- 14 (e) “*Digital content*” refers to any type of content that exists in the form of digital data
15 that are encoded in a machine-readable format, and can be created, viewed,
16 distributed, modified and stored using computers and digital technologies, *e.g.*, the
17 internet. The content can be either free or paid content such as web pages and
18 websites, social media, data and databases, digital audio, such as mp3s, and e-
19 books, digital imagery, digital video, video games, computer programs and
20 software;
- 21 (f) “*Digital entrepreneurship*” refers to combining traditional entrepreneurship with
22 new digital technologies, thus creating digital enterprises which are characterized
23 by a high intensity of utilization of novel digital technologies, particularly social
24 media, big data analytics, mobile and cloud solutions to improve business
25 operations, invent new business models, sharpen business intelligence, and engage
26 with customers and stakeholders;
- 27 (g) “*Digital skills*” refer to a range of abilities, from basic to more advanced,
28 encompassing a combination of behaviors, expertise, know-how, work habits,
29 character traits, dispositions, and critical understanding on the use of digital devices,
30 communication applications, and networks to access and manage information;
- 31 (h) “*Digital technology*” refers to any product that can be used to create, view,
32 distribute, modify, store, retrieve, transmit, and receive information electronically
33 in a digital form such as personal computers and devices like desktop, laptop,

- 1 netbook, tablet computer, smart phones, PDA with mobile phone facilities, games
2 consoles, media players, e-book readers, as well as digital television, and robots;
- 3 (i) “*Innovation*” refers to the creation of new ideas using new or existing technologies
4 that results in the development of new or improved products, processes, or services,
5 which are then spread or transferred across the market;
- 6 (j) “*Intermediate skills*” refer to usage of digital technologies in a more meaningful
7 and beneficial ways, including the ability to critically evaluate technology or create
8 content;
- 9 (k) “*Social inclusion*” refers to the process of improving the terms for individuals and
10 groups to take part in society;
11

12 **ARTICLE III**
13 **DEVELOPMENT OBJECTIVES AND STRATEGIES**
14

15 **SEC. 4. *Development of Digital Careers.*** – In promoting careers and jobs that are
16 enabled and supported by the Internet, information and communications technology (ICT),
17 digital technology and tools, and systems that allow a person to interact directly with companies
18 and service users and end-users through remote and virtual services and systems, the State
19 shall:

- 20 (a) Ensure and take pro-active measures to improve the digital competence of all
21 citizens of working age and equip them with basic, intermediate and advanced
22 digital skills including digital entrepreneurship skills in order to gain from the
23 benefits of the growing number of jobs and opportunities that are enabled by ICT,
24 Internet and digital communications, digital technologies and digital tools;
- 25 (b) Ensure that citizens of working age are equipped with information and data literacy,
26 communication and collaboration skills using digital technologies, digital content
27 creation skills, virtual safety and security skills, and 21st century skills required for
28 digital jobs and careers;
- 29 (c) Ensure adequate protection and support for digital career workers, freelancers, and
30 freelance workers, for the continuous improvement of their skills to effectively keep
31 up with global standards; and
- 32 (d) Provide support to digital career workers, freelancers, and freelance workers in
33 terms of co-working or shared service facilities, free trainings, and exposure

1 programs to improve their skills and access to different government programs such
2 as loan facilities for them to secure equipment, as may be allowed by law, under
3 existing and/or future programs by relevant government agencies.
4

5 **SEC. 5. *Programs on Digital Careers.*** - The Department of Information and
6 Communications Technology (DICT) and the Department of Education (DepEd), in
7 collaboration with the Commission on Higher Education (CHED), and the Technical Education
8 and Skills Development Authority (TESDA), shall immediately create, design, and develop
9 programs to ensure access to trainings, market, and other forms of support or innovation
10 strategies for digital careers.
11

12 **SEC. 6. *Standards for Digital Career Workers.*** - The Department of Labor and
13 Employment (DOLE) together with the Department of Trade and Industry (DTI), in
14 consultation with the Bureau of Internal Revenue (BIR), DICT, Department of Interior and
15 Local Government (DILG), DepEd, CHED, and TESDA shall ensure:

- 16 (a) Compliance with the prescribed minimum wage for digital career workers
17 freelancers, or freelance workers;
18 (b) Adoption of simple process for the registration of digital career workers,
19 freelancers, or freelance workers in the local government level;
20 (c) Adoption of simple process for filing of complaints by digital career workers,
21 freelancers, or freelance workers;
22 (d) Setting up of minimum requirements for persons to be qualified as digital career
23 workers in the form of industry-centric certifications or trainings; and
24 (e) Adoption of simple process and mechanisms for digital career workers, freelancers
25 or freelance workers in filing taxes and other fees due to the government.

26 **SEC. 7. *Incentives.*** - A digital worker, freelancer or freelance worker shall be entitled
27 to the following incentives, subject to guidelines issued by the DICT, DTI, DOLE, TESDA
28 and other concerned agencies:

- 29 (a) Full or partial scholarships for necessary certification trainings, both local and
30 abroad, on different levels of digital skills and knowledge;
31 (b) Full or partial subsidy for the use of facilities, office space, equipment, and/or
32 services provided by government or private enterprises or institutions;

1 (c) Grants-in-aid for the acquisition of equipment including but not limited to
2 computers, hardware and software programs;

3 (d) Such other incentives that may be provided to digital workers, freelancers or
4 freelance workers in the future.

5 In addition to the foregoing incentives, qualified digital workers, freelancers or
6 freelance workers shall be entitled to avail of government support under existing programs for
7 startups, micro, small and medium enterprises (MSMEs), and such other programs as may be
8 applicable
9

10 **SEC. 8. *Role of the Local Government Units.*** – All local government units shall create
11 local policies to support the growth and development of digital careers in their respective
12 communities. The DILG shall ensure compliance of this section.
13

14 **SEC. 9. *E-Readiness of Local Government Units.*** – The DICT, the Department of
15 Budget Management (DBM), Department of Public Works and Highways (DPWH) and other
16 relevant departments and agencies shall ensure universal access to the high-speed, quality, and
17 affordable Internet by prioritizing and facilitating the development of connectivity
18 infrastructures in the localities across the country. The DILG and DICT shall jointly assess the
19 e-Readiness of all municipalities, cities, provinces, and regions to ensure a thriving digital
20 careers ecosystem.
21

22 **ARTICLE IV**
23 **TRAINING AND SKILLS DEVELOPMENT**
24

25 **SEC. 10. *Trainings, Skills Development, and Scholarships.*** – The DICT in
26 collaboration with DOLE, DTI, DepEd, CHED, and TESDA shall prioritize the creation of
27 digital trainings, including, but not limited to:

28 (a) Web development and designing;

29 (b) Online teaching and tutoring;

30 (c) Content creation (writing and copywriting and others);

31 (d) Digital marketing (e-Commerce, sales and marketing);

32 (e) Creative design, graphic designing, 3D modelling and CAD, game development,
33 logo design and illustration, and audio and video production;

- (f) Mobile app development;
- (g) Search engine optimization;
- (h) Virtual assistance (administrative support or assistance);
- (i) Branding and public relations, social media coordinator and community management;
- (j) Web research, business intelligence and data analytics;
- (k) Transcription and data entry jobs article and blog writing;
- (l) Customer service and technical support;
- (m) Human resource management and systems; and
- (n) Architecture services and other professional services through the Internet.

The TESDA shall give updates to all appropriate government agencies and LGUs, especially its local investment council for purposes for job creation, with the number of trainees and their respective courses per city or municipality. TESDA shall also allocate scholarships to various LGUs in accordance with an annual job generation plan supported local industry in the locality and validated by market or business research.

SEC. 11. *Skills Map.* – In order to ensure equal access to training opportunities, TESDA shall create a skills map geared towards identifying the sectors in the community that can be effectively and positively benefited by digital careers training.

SEC. 12. *Digital Skills Training.* – The DICT shall allocate an appropriate amount of their annual budget to digital skills training, and other programs to skill, upskill and re-skill targeted set of citizens in order to equip them with necessary high-level digital skills. The DICT and TESDA shall ensure that no duplication of trainings for the same skill level will occur. A qualified citizen is not, however, prohibited from availing of training from the two agencies: *Provided, That the trainings are different in terms of level or skill.*

ARTICLE V

DEVELOPMENTAL PROGRAMS

SEC. 13. *Digital Careers Week.* – The DICT shall designate a Digital Careers Week every year to promote awareness about the job opportunities in the Digital Age.

ARTICLE VI

SUPPORT ECOSYSTEM

SEC. 14. *Digital Libraries and Learning Hubs.* – The DICT and the National Library of the Philippines shall promote the role of libraries in improving digital inclusion and transform these libraries as providers of digital access, training, and support for digital career workers, freelancers, and freelance workers.

SEC. 15. *Co-Working Agencies or Facilities.* – Qualified companies may avail of exemption from specific provisions of the Labor Code and other pertinent law with respect to digital career workers, freelancers, and freelance workers who are directly working in their facilities: *Provided*, That these workers are covered by independent contractor agreements, as defined under pertinent laws.

ARTICLE VII

IMPLEMENTING GUIDELINES

SEC. 16. *Implementing Rules and Regulations.* – Within six (6) months from the effectivity of this Act, the DOLE and the DICT shall promulgate the necessary rules and regulations for the implementation of this Act.

ARTICLE VIII

GENERAL PROVISIONS

SEC. 17. Appropriations. – The amount necessary for the implementation of the provisions of this Act shall be included in the General Appropriations Act for the year following the approval of this Act.

SEC. 18. *Repealing Clause.* – All other laws, decrees, executive orders and rules and regulations contrary to or inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

1 **SEC. 19. *Separability Clause*** – If any provision of this Act is held invalid or
2 unconstitutional, the same shall not affect the validity and effectivity of the other provisions
3 hereof.

4
5 **SEC. 20. *Effectivity*** – This Act shall take effect fifteen (15) days after its publication in
6 the Official Gazette or in two (2) newspapers of general circulation.

Approved,