

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

EIGHTEENTH CONGRESS
Second Regular Session

House Bill No. 7048



Introduced by Representative FREDERICK W. SIAO

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

EXPLANATORY NOTE

New technologies have brought about non-traditional ways of earning a living. This includes online freelancing, which in recent years has grown to what some call a full-fledged "gig economy." In essence, the gig economy is composed of short-term freelance workers with no geographical boundaries in proximity to those employing them.¹ It is powered by social media, global marketplaces and online payment platforms² which jointly provide freelance workers the flexibility to chart their own career paths.

In recent years, online freelancing has grown significantly here 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.³ In 2019, Forbes⁴ listed the Philippines in 6th place, for fastest growing market for freelancers, recording a 35% income growth from the previous year.

Notably, the Philippine government has launched programs such as the DigitalJobsPH Technical Training project of the Department of Information and Communications Technology (DICT) which aims to help people find work as digital entrepreneurs and freelancers in the information and communications technology (ICT) field. However, much may still be done to for online freelancing to further flourish as a

¹ <https://www.forbes.com/sites/forbescoachescouncil/2020/03/27/why-the-gig-economy-will-drive-the-future-of-employment/#6083cae74f52>

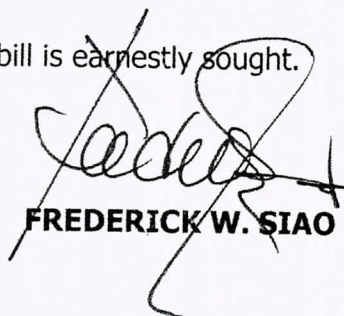
viable source of livelihood in the Philippines. Learnings from the current COVID-19 pandemic show us the potentials in the freelance economy such as workplace flexibility while at the same time highlighting the disadvantages faced by those engaged full-time in freelance work such as the lack of basic social protections and safety nets since they are not part of the formal economy.

With a growing online freelance industry and with the new normal ushered in by the COVID-19 pandemic, it now behooves the government 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.

Just like its counterpart measure the proposed “National Digital Transformation” Act, this measure falls under our broad “Tatak Pinoy” industrialization campaign and policy, where Filipino enterprises, entrepreneurs and professionals are enabled and empowered to move up the value chain, produce quality goods and services, export more of their offerings, and ultimately innovate on their endeavors.

This bill was originally filed by Senator Sonny Angara as Senate Bill No. 1469 and will serve as the House version.

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



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

of digital devices, communication applications, and networks to access and manage information;

(h) "*Digital technology*" refers to any product that can be used to create, view, distribute, modify, store, retrieve, transmit, and receive information electronically in a digital form such as personal computers and devices like desktop, laptop, netbook, tablet computer, smart phones, PDA with mobile phone facilities, games consoles, media players, e-book readers, as well as digital television, and robots;

(i) "*Innovation*" refers to the creation of new ideas using new or existing technologies that results in the development of new or improved products, processes, or services, which are then spread or transferred across the market;

(j) "*Intermediate skills*" refer to usage of digital technologies in a more meaningful and beneficial ways, including the ability to critically evaluate technology or create content;

(k) "*Social inclusion*" refers to the process of improving the terms for individuals and groups to take part in society;

ARTICLE III

DEVELOPMENT OBJECTIVES AND STRATEGIES

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

(a) Ensure and take pro-active measures to improve the digital competence of all citizens of working age and equip them with basic, intermediate and advanced digital skills including digital entrepreneurship skills in order to gain from the benefits of the growing number of jobs and opportunities that are enabled by ICT, Internet and digital communications, digital technologies and digital tools;

(b) Ensure that citizens of working age are equipped with information and data literacy, communication and collaboration skills using digital

technologies, digital content creation skills, virtual safety and security skills, and 21st century skills required for digital jobs and careers;

(c) Ensure adequate protection and support for digital career workers, freelancers, and freelance workers, for the continuous improvement of their skills to effectively keep up with global standards; and

(d) Provide support to digital career workers, freelancers, and freelance workers in terms of co-working or shared service facilities, free trainings, and exposure programs to improve their skills and access to different government programs such as loan facilities for them to secure equipment, as may be allowed by law, under existing and/or future programs by relevant government agencies.

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

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

(a) Compliance with the prescribed minimum wage for digital career workers freelancers, or freelance workers;

(b) Adoption of simple process for the registration of digital career workers, freelancers, or freelance workers in the local government level;

(c) Adoption of simple process for filing of complaints by digital career workers, freelancers, or freelance workers;

(d) Setting up of minimum requirements for persons to be qualified as digital career workers in the form of industry-centric certifications or trainings; and

(e) Adoption of simple process and mechanisms for digital career workers, freelancers or freelance workers in filing taxes and other fees due to the government.

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

(a) Full or partial scholarships for necessary certification trainings, both local and abroad, on different levels of digital skills and knowledge;

(b) Full or partial subsidy for the use of facilities, office space, equipment, and/or services provided by government or private enterprises or institutions;

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

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

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

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

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

ARTICLE IV

TRAINING AND SKILLS DEVELOPMENT

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

- (a) Web development and designing;
- (b) Online teaching and tutoring;
- (c) Content creation (writing and copywriting and others);
- (d) Digital marketing (e-Commerce, sales and marketing);
- (e) Creative design, graphic designing, 3D modelling and CAD, game development, 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,

1 upskill and re-skill targeted set of citizens in order to equip them with necessary
2 high-level digital skills. The DICT and TESDA shall ensure that no duplication of
3 trainings for the same skill level will occur. A qualified citizen is not, however,
4 prohibited from availing of training from the two agencies: *Provided, That the*
5 *trainings are different in terms of level or skill.*

6 **ARTICLE V**

7 **DEVELOPMENTAL PROGRAMS**

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

11 **ARTICLE VI**

12 **SUPPORT ECOSYSTEM**

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

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

22 **ARTICLE VII**

23 **IMPLEMENTING GUIDELINES**

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

27 **ARTICLE VIII**

28 **GENERAL PROVISIONS**

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

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

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

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

Approved,