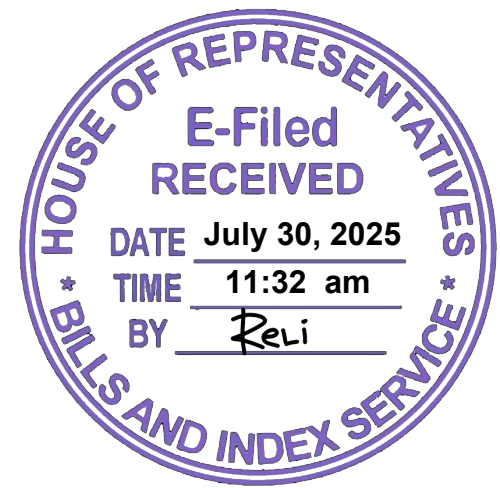


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 2610



Introduced by Hon. Kenneth T. Gatchalian

EXPLANATORY NOTE

The digital economy has now emerged as an innovative economy, utilizing digital technologies and electronic communication to conduct economic and business activities. It has been recognized as a primary driver of economic growth and development in many advanced countries, reshaping traditional business models and labor markets¹.

In the Philippines, the digital economy contributed 8.5% to the country's Gross Domestic Product in 2024, reaching PhP 2.25 trillion. In terms of employment, it engaged 11.30 million workers in 2024, comprising 23.1% of the total national employment². These figures affirm that the digital economy is not a trend, but a structural pillar of the Philippine economy.

Globally, although there is no International Bureau of Labor, the Philippines is generally considered one of the leading sources of virtual assistants. UpWork, for example, has identified the Philippines in 2023 to hold thirteen (13) percent (ranked highest) of the marketplace's virtual assistants³.

¹ Lei, X., Baghaie, S., & Sajadi, S. M. (2024). The digital economy: Challenges and opportunities in the new era of technology and electronic communications. *Ain Shams Engineering Journal*. Advance online publication. <https://doi.org/10.1016/j.asej.2023.102411>

² Philippine Statistics Authority. (2025, April 29). Philippine Digital Economy Satellite Account: Digital economy contributes 8.5 percent to the Philippine economy in 2024. <https://psa.gov.ph/statistics/digital-economy>

³ Prialto. (2023). Essential virtual assistant statistics for 2023 [Blog post]. Prialto. Retrieved from <https://www.prialto.com/blog/virtual-assistant-statistics>

Given its flexibility, work arrangement, and financial advantage, many Filipinos are now choosing online work over traditional labor.

This is where the challenge arises – the Labor Code of the Philippines was crafted for the traditional, office-based employment. As such, it does not adequately reflect the unique nature of virtual, remote, and freelance work. This bill addresses this gap in the law by establishing safeguards tailored to the emerging digital workforce of the country, specifically Virtual Assistants (VAs) and Online Freelancers, who now comprise a significant segment of the modern labor market.

This measure seeks to establish a legal framework that recognizes and protects the rights of Filipino VAs and Online Freelancers. It supports their entitlement to written contracts, fair and timely compensation, access to social protection, and grievance mechanisms. It also mandates the creation of the Digital Labor Rights Help Desk under the Department of Labor and Employment (DOLE) to provide institutional support, legal guidance, and redress for digital workers.

By institutionalizing protection for this fast-growing sector of the economy, this measure upholds the dignity of labor, promotes inclusive growth, and ensures that the Philippine labor system adapts to the demands of the 21st-century digital economy.

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


KENNETH T. GATCHALIAN

Republic of the Philippines
House of Representatives
Quezon City, Metro Manila

TWENTIETH CONGRESS
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HOUSE BILL NO. 2610

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AN ACT
PROVIDING PROTECTION OF THE RIGHTS AND WELFARE OF FILIPINO
VIRTUAL ASSISTANTS (VAs) AND ONLINE 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 “Virtual
2 Assistants (VAs) and Online Freelancers Rights Act.”

3 **SEC. 2.** *Declaration of Policy.* – Pursuant to Article II, Section 18, and
4 Article XIII, Section 3 of the Constitution, it is hereby declared the policy of the
5 State to protect the rights of workers, promote their welfare, and afford full
6 protection to labor. To this end, the State shall ensure equal protection and
7 recognition of the rights of Filipino Virtual Assistants and Online Freelancers, as
8 well as uphold the legitimate interests of their employers.

9 **SEC. 3.** *Coverage.* – This Act shall apply to all Filipino virtual assistants
10 and online freelancers, including but not limited to self-employed individuals,
11 independent contractors, or project-based workers hired or retained to provide
12 services in exchange for compensation.

1 This shall include those who render services remotely through digital
2 platforms, communication technologies, or direct client arrangements, whether local
3 or foreign employers, and regardless of the frequency, duration, or scope of the
4 engagement.

5 **SEC. 4. *Definition of Terms.*** – As used in this Act:

- 6 a) *Employer/s* refers to any digital platform, website, person or legal entity
7 that obtains the services of a virtual assistant and/or online freelancer;
8 b) *Online Freelancers* refers to an individual who earns income by providing
9 services remotely through digital means to clients, whether local or
10 foreign;
11 c) *Virtual Assistants (VAs)* refer to a type of online freelancer who provides
12 remote, client-directed services through digital means.

13 **SEC. 5. *Right to Written Contracts.*** – All freelance engagements shall be
14 written in plain language, understood by both parties. It shall include, at the
15 minimum, the following:

- 16 a) Itemization of all services to be provided by the virtual assistant or online
17 freelancer;
18 b) Details of compensation and other worker's benefits, including rate,
19 method, and schedule of payment;
20 c) Period of employment;
21 d) Grounds for breach of contract on the part of the employer and of the
22 virtual assistant or online freelancer; and
23 e) Any other condition, term, or clause that the Department of Labor and
24 Employment (DOLE) may direct, subject to the provisions of this Act.

25
26 The contract must state the necessary personal circumstances of the virtual
27 assistant or online freelancers, such as but not limited to the virtual assistant or
28 online freelancer's name, address and the worker's Tax Identification Number

(TIN). No modification of the terms of the contract shall be enforceable unless signed by both the employer and the virtual assistant or online freelancers.

SEC. 6. *Fair and Timely Compensation.* – All virtual assistants and online freelancers must have the right to fair and timely compensation from their employers.

SEC. 7. *Social Protection.* – All virtual assistants and online freelancers shall have access to voluntary coverage under social protection agencies, including but not limited to the Social Security System (SSS), the Philippine Health Insurance Corporation (PhilHealth), and the Home Development Mutual Fund (Pag-IBIG Fund).

SEC. 8. *Remedies and Grievance Redress.* – The DOLE shall establish a Digital Labor Rights Help Desk for virtual assistants and online freelancers. This mechanism shall provide access to:

- a) Filing of complaints related to non-payment, underpayment, breach of contract, or unfair practices by employers;
- b) Mediation and conciliation services to facilitate amicable dispute resolution;
- c) Legal advisory services, including guidance on contracts, taxation, and enforcement of virtual assistants and online freelancers, as provided by this Act, and other relevant laws; and
- d) Reporting and tracking for recurrent or high-risk violators, including mechanism for blacklisting abusive employers.

SEC. 9. *Implementation.* – The Secretary of Labor and Employment, in coordination with the Department of Information and Communications Technology (DICT), and other relevant agencies shall issue such rules and regulations as may be necessary to carry out the purpose of this Act.

1 **SEC. 10. *Separability Clause.*** – If any provision or part of this Act is held
2 invalid or unconstitutional, the remaining parts or provisions not affected shall
3 remain in full force and effect.

4 **SEC. 11. *Repealing Clause.*** – All laws, executive orders, presidential
5 decrees or issuances, letter of instruction, administrative orders, rules, and
6 regulations as well as local ordinances contrary to or inconsistent with the provisions
7 of this Act are hereby repealed, amended, or modified accordingly.

8 **SEC. 12. *Effectivity.*** - This Act shall take effect fifteen (15) days after
9 publication in the Official Gazette or in two (2) national newspapers of general
10 circulation.

Approved,