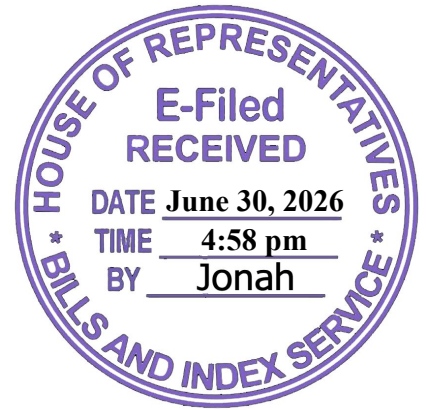


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 9983



Introduced by Representative Jan “Atty. JP” D. Padiernos

EXPLANATORY NOTE

The 1987 Philippine Constitution mandates that the State shall afford full protection to labor, promote full employment, and ensure equality of employment opportunities for all. However, a digital loophole has emerged where thousands of TNVS drivers and delivery riders are considered "Independent Contractors" on paper, but are treated like employees in practice. This is the "Gig Economy Gap."

Platform providers often use "non-exclusivity" clauses as a legal shield to avoid providing benefits. Yet, through Algorithmic Control, these platforms impose delivery quotas so high that workers have no choice but to remain exclusive to one application. When they fail to meet these quotas, they are "de-platformed" by a faceless algorithm—without a hearing, without a human explanation, and without due process.

This Act seeks to align our labor laws with the smartphone age by bridging the gap between technological advancement and worker protection. It defines "Algorithmic Control" to recognize that tracking movements and imposing strict quotas constitute modern employer supervision.

Furthermore, this Act seeks to empower platform workers by granting full-time workers legal recognition, providing due process against unfair suspensions, and mandating transparent algorithmic management to ensure that automated decisions are fair and subject to human oversight.

In essence, this bill aims to build a sustainable digital economy where technological progress does not sacrifice labor rights. It ensures that amid rapid innovation, every Filipino worker remains protected and included.

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


Rep. Jan “Atty. JP” D. Padiernos
GP (GALING SA PUSO) Partylist

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**AN ACT ESTABLISHING EQUITABLE LABOR STANDARDS FOR GIG
ECONOMY WORKERS, REGULATING ALGORITHMIC MANAGEMENT,
AND PROTECTING AGAINST UNFAIR DE-PLATFORMING**

*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 "Gig Economy Equitable Standards Act."

SECTION 2. Declaration of Policy. — It is the policy of the State to afford full protection to labor, promote decent work, and ensure that technological innovation and digital platforms operate in a manner consistent with social justice and fundamental labor rights. The State recognizes that workers engaged through online platforms contribute significantly to the national economy and shall protect such workers from unfair labor practices, arbitrary deprivation of livelihood, economic coercion, and opaque digital management systems that substantially affect their earnings and working conditions. The State shall likewise ensure transparency, accountability, and meaningful human oversight in decisions affecting a platform worker’s access to earning opportunities.

SECTION 3. Definition of Terms. — For purposes of this Act, the following terms shall be defined as follows:

- a. Algorithmic Control – refers to the use of mathematical algorithms and software-based systems to remotely manage, monitor, supervise, and evaluate workers, including the imposition of high-volume delivery quotas or performance-based incentives that functionally require a worker to dedicate full-time hours to a single platform, thereby rendering "non-exclusivity" clauses illusory.
- b. De-platforming – refers to the act of an Online Platform Provider in restricting, suspending, or permanently terminating a worker’s access to the platform’s digital interface, effectively ending their ability to earn income, whether such action is automated or manually initiated.
- c. Equipment Depreciation – refers to the measurable decline in the value and utility of a worker’s personal assets (e.g., motorcycles, cars, smartphones) used in the performance of gig work, which must be factored into the minimum compensation to ensure a living wage.

- d. Material Adverse Action – refers to any suspension, deactivation, reduction of visibility, withholding of incentives, restriction of access to bookings, or other action that significantly reduces a worker's earning opportunities.
- e. Online Platform Provider – refers to any person, corporation, partnership, or entity that operates a digital platform, application, or technological system that connects consumers with Platform Workers for the provision of services.
- f. Platform Worker – refers to any natural person who provides transportation, delivery, logistics, courier, or other income-generating services through an online platform or digital application in exchange for compensation.
- g. Shadow-banning – also known as "algorithmic retaliation," refers to the practice of reducing a worker's visibility or task-priority within the platform's algorithm without official notice, leading to a sudden, unexplained decrease in assigned tasks as a disciplinary or retaliatory measure.

SECTION 4. Rebuttable Presumption of Employment Relationship. — A rebuttable presumption of an employer-employee relationship shall arise where an Online Platform Provider:

- a. determines, directly or indirectly, the rates or compensation payable to Platform Workers;
- b. imposes acceptance rates, completion rates, performance metrics, quotas, ratings, or similar requirements as a condition for continued access to earning opportunities;
- c. exercises the power to suspend, deactivate, restrict, or otherwise limit a worker's access to the platform;
- d. continuously monitors the worker's performance through digital, technological, or algorithmic means; or
- e. substantially controls the worker's access to customers, bookings, assignments, or earning opportunities.

The burden of proving the absence of an employer-employee relationship shall rest upon the Online Platform Provider.

SECTION 5. Due Process in Suspension, Deactivation, and Other Material Adverse Actions. — No Platform Worker shall be suspended, deactivated, restricted from accessing the platform, denied assignments, subjected to a reduction in visibility or earning opportunities, or otherwise subjected to any Material Adverse Action without due process.

Prior to the imposition of any Material Adverse Action, the Online Platform Provider shall:

- a. provide the worker with written notice stating the specific facts, acts, omissions, complaints, or circumstances forming the basis of the proposed action;
- b. disclose, upon request, the records, reports, ratings, complaints, trip data, digital records, or other information materially relied upon in making the determination, subject only to limitations necessary to protect personal data, trade secrets, or public safety;
- c. provide the worker a reasonable opportunity to explain, contest, or rebut the allegations through accessible electronic or physical means; and

- d. ensure that the final determination is reviewed and approved by a duly authorized human decision-maker who has the authority to affirm, modify, or reverse the proposed action after considering the worker's response.

No Material Adverse Action shall be imposed solely on the basis of an automated decision-making system, algorithmic assessment, customer rating, or artificial intelligence tool without meaningful human evaluation of the relevant facts and circumstances. Any suspension, deactivation, or restriction imposed without compliance with this Section shall be presumed unjustified and shall be immediately lifted upon order of the Department of Labor and Employment or other competent authority, without prejudice to the worker's right to damages and other remedies provided by law. The burden of proving compliance with the requirements of this Section shall rest upon the Online Platform Provider.

SECTION 6. Social Protection and Multi-Platform Contributions.

- a. Every Platform Worker shall be registered with the Social Security System (SSS), Philippine Health Insurance Corporation (PhilHealth), and the Home Development Mutual Fund (Pag-IBIG), and shall be entitled to the benefits and protections provided under the respective laws governing such institutions.
- b. Registration under this Act shall be attached to the Platform Worker and shall not require separate enrollment for each Online Platform Provider. A Platform Worker shall maintain a single membership record with each social protection institution regardless of the number of platforms through which the worker earns income.
- c. Every Online Platform Provider that pays compensation to a Platform Worker shall remit the corresponding contributions, premiums, or dues based on the compensation paid through its platform, in accordance with applicable laws, contribution schedules, and implementing regulations issued by the concerned government agencies.
- d. Where a Platform Worker receives compensation from two or more Online Platform Providers during the same contribution period, each Online Platform Provider shall be responsible only for its proportional share of contributions corresponding to the compensation it paid to the worker, subject to statutory ceilings and limitations prescribed by law.
- e. The Social Security System (SSS), Philippine Health Insurance Corporation (PhilHealth), Home Development Mutual Fund (Pag-IBIG), and the Department of Labor and Employment (DOLE) shall jointly establish and maintain a centralized reporting, reconciliation, and compliance mechanism to:
 - 1. prevent duplicate enrollment of Platform Workers;
 - 2. prevent overpayment of contributions beyond statutory ceilings;
 - 3. allocate contribution obligations among multiple Online Platform Providers;
 - 4. ensure accurate and timely crediting of contributions to the Platform Worker;
 - 5. facilitate compliance monitoring, auditing, and enforcement; and
 - 6. streamline reporting requirements and administrative procedures for workers and Online Platform Providers.

f. Online Platform Providers shall submit such reports, records, and information as may be required by the SSS, PhilHealth, Pag-IBIG Fund, and DOLE for the implementation of this Section, subject to applicable laws on data privacy and confidentiality.

g. No Online Platform Provider shall evade contribution obligations by classifying a Platform Worker as an independent contractor, partner, merchant, service provider, or by any other designation inconsistent with the actual nature of the working arrangement.

h. Compliance with this Section shall not, by itself, be construed as conclusive proof of the existence or absence of an employer-employee relationship for purposes of labor standards, labor relations, taxation, social legislation, or any other law. The determination of employment status shall remain subject to applicable laws and the facts of each case.

i. The Department of Labor and Employment, in coordination with the SSS, PhilHealth, and Pag-IBIG Fund, shall promulgate the necessary rules and regulations for the effective implementation of this Section within ninety (90) days from the effectivity of this Act.

SECTION 7. Unlawful Practices. — It shall be unlawful for any platform to:

- a. Use "non-exclusivity" as a defense for independent contractor status if the platform's internal algorithms enforce high-volume quotas that make such freedom impossible.
- b. Retaliate against workers for filing complaints or organizing.
- c. Use "non-exclusivity" or "independent contractor" clauses as a legal defense to evade employer-employee obligations if the platform's internal algorithms, quotas, or incentive structures functionally require full-time dedication, thereby rendering such freedom impossible;
- d. Retaliate against, bias the algorithm against, or "shadow-ban" workers, characterized by a sudden, unexplained decrease in assigned tasks—for filing complaints, organizing, or participating in collective actions;
- e. Impose "penalties" or deduct from a worker's earnings for declining tasks that would exceed safe driving hours or take the worker outside of their designated service area;
- f. Restrict, suspend, or terminate a worker's access to the platform based on automated metrics (such as acceptance rates) without providing a specific, evidence-based written justification reviewed by a human officer;
- g. Withhold essential trip data—including the full destination, estimated duration, and net pay after fees—before a worker accepts a task, effectively forcing "blind" acceptance to meet quotas;
- h. Mandate that workers remain "online" or active within specific geographic zones during "surge" periods without providing a guaranteed base compensation for that standby time;
- i. Systematically cap a worker's hours or tasks specifically to prevent them from reaching thresholds that would trigger mandatory social protection contributions or benefits.

- j. Engaging in algorithmic retaliation, including the reduction of visibility, assignments, incentives, or earning opportunities in response to a worker's filing of complaints, participation in lawful organizations, or exercise of rights under this Act;
- k. Deliberately manipulating assignments, work opportunities, or platform access to prevent workers from qualifying for statutory benefits, incentives, or protections;
- l. Issuing generic, vague, or automated explanations that fail to substantially disclose the factual basis of disciplinary actions.

SECTION 8. Civil Penalties. — Any platform found in violation of these standards shall be subject to a fine of not less than Fifty Thousand Pesos (P50,000.00) but not more than Five Hundred Thousand Pesos (P500,000.00) per violation.

SECTION 9. Presumption of Algorithmic Retaliation. — A sudden and unexplained reduction of at least fifty percent (50%) in a Platform Worker's average assignments, bookings, visibility, or earnings occurring within thirty (30) days after the worker files a complaint, participates in collective activities, or exercises rights under this Act shall create a rebuttable presumption of algorithmic retaliation. The burden of proving a legitimate and non-retaliatory reason shall rest upon the Online Platform Provider.

SECTION 10. Platform Work Oversight. — The Department of Labor and Employment shall exercise regulatory and visitorial powers to ensure compliance with this Act and may require Online Platform Providers to submit records relating to compensation systems, disciplinary actions, suspensions, deactivations, and worker complaints.

The Department may conduct inspections, investigations, and compliance audits whenever warranted.

Approved.