



Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City



TWENTIETH (20TH) CONGRESS
First Regular Session

HOUSE BILL NO. **10563**

Introduced by KAMANGGAGAWA Partylist
Representative **ELIJAH R. SAN FERNANDO**

EXPLANATORY NOTE

The Constitution recognizes labor as a primary social and economic force and directs the State to afford full protection to workers. This protection cannot be fully realized when workers are not provided with clear and reliable written information on the terms and conditions of their employment.

A written employment contract is a basic safeguard against uncertainty, misunderstanding, and abuse. It provides workers with proof of their position, compensation, benefits, work schedule, employment status, duties, and other material terms. Without such a document, workers may encounter difficulty proving their entitlements when seeking unpaid wages or benefits, contesting unauthorized deductions or disciplinary actions, challenging dismissal, or claiming social protection benefits.

The need for clear employment documentation affects a substantial portion of the population. According to the Philippine Statistics Authority, the country had approximately 48.89 million employed persons in April 2026. Given the size and diversity of the workforce, access to basic employment documents should not depend solely on the varying practices or discretion of individual employers.

Philippine law already requires written employment contracts for certain categories of workers. Republic Act No. 10361, or the "Domestic Workers Act," requires a contract before the commencement of service and in a language or dialect understood by the parties. Republic Act No. 11996, or the "Eddie Garcia Act," likewise requires covered workers in the movie and television industry to be furnished with agreements stating the applicable terms of their engagement. These protections demonstrate that written employment terms are both necessary and practicable, but they remain limited to particular sectors.

This measure therefore requires private-sector employers to provide workers with written employment contracts, in plain language, on or before their first day of work. The contract must state the worker's position, compensation, benefits, work schedule, employment status, duties, and other essential terms. When necessary because of language, literacy, disability, or a similar barrier, the employer must also provide a translation, simplified explanation, or accessible version without charge.

The bill further guarantees workers access to employment-related documents, including payslips, payroll and attendance records, personnel-action notices, performance evaluations, disciplinary documents, and separation records. A worker must receive a copy of every document signed by or issued to them and may request other relevant records needed to assert labor and social protection rights.

The timely issuance of a Certificate of Employment is particularly important for workers seeking new employment or establishing their work history. DOLE Labor Advisory No. 06, Series of 2020, presently directs employers to issue a Certificate of Employment within three days from request. This measure establishes that protection in law, requires automatic issuance upon separation, and prohibits employers from conditioning its release on an exit clearance, payment of an alleged liability, execution of a quitclaim, withdrawal of a complaint, or settlement of a labor claim.

The bill recognizes that micro and small enterprises may not have dedicated human resources personnel or specialized payroll and recordkeeping systems. Accordingly, they may comply through standard or one-page contracts, basic employment information sheets, simplified payroll and attendance registers, combined personnel-action forms, and other low-cost paper or electronic methods prescribed by DOLE. They shall not be required to establish a separate human resources office, purchase specialized software, or maintain duplicative systems solely to comply with the Act.

Simplification, however, applies only to the form and manner of compliance. It shall not exempt any employer from clearly stating the worker's wages, benefits, schedule, status, duties, and other material terms or diminish any substantive labor right.

Government assistance shall be provided primarily through existing programs and channels. DOLE shall prepare free standard forms, templates, and plain-language compliance guides and make them available through its existing offices and platforms, Negosyo Centers, Public Employment Service Offices, local government units, and other existing distribution channels. Training, technical assistance, and information dissemination shall, to the greatest extent practicable, be integrated into existing labor inspection, labor education, enterprise development, employment facilitation, and public information programs.

The bill does not require the creation of a new office, bureau, unit, or permanent plantilla position unless separately authorized and funded under the General Appropriations Act. This approach seeks to strengthen worker protection without creating an unnecessarily costly or duplicative administrative structure.

The measure likewise recognizes that employment records are ordinarily created, maintained, and controlled by employers. An employer should not benefit from its own failure to issue, preserve, or produce a document required by law. Thus, when an employer fails without lawful justification to produce a required employment record, a rebuttable presumption shall arise in favor of the worker's reasonable and credible account of the matter that should have been documented.

This evidentiary rule complements the visitorial and enforcement powers of the Secretary of Labor and Employment under Article 128 of the Labor Code. Violations shall be subject to graduated administrative penalties, taking into account their gravity, the number of workers affected, the employer's size and financial capacity, and whether the violation was promptly corrected.

A first, non-willful violation by a micro or small enterprise may be addressed through corrective compliance when no worker has suffered material prejudice. This accommodation shall not apply to falsification, concealment or destruction of records, retaliation, coercion, withholding of wages or benefits, obstruction of a labor claim or inspection, or conditioning the release of documents on a waiver or settlement.

The timely issuance and accessibility of employment documents are essential to wage protection, due process, security of tenure, social protection, and effective access to labor justice. No worker should be compelled to rely solely on verbal promises regarding matters as fundamental as wages, benefits, working hours, employment status, duties, and continued employment.

In solidarity with the working class, the immediate passage of this bill is earnestly sought.


ELIJAH R. SAN FERNANDO
Representative
KAMANGGAGAWA Partylist



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HOUSE BILL NO. 10563

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AN ACT
REQUIRING EMPLOYERS TO PROVIDE WORKERS WITH WRITTEN EMPLOYMENT
CONTRACTS AND TIMELY ACCESS TO EMPLOYMENT-RELATED DOCUMENTS,
ESTABLISHING SIMPLIFIED COMPLIANCE MEASURES FOR MICRO AND SMALL
ENTERPRISES, PROVIDING REMEDIES AND PENALTIES FOR VIOLATIONS

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

SECTION 1. Short Title. — This Act shall be known as the “**Kontrata Ko, Ibigay Mo Act.**”

SEC. 2. Declaration of Policy. — It is hereby declared the policy of the State, consistent with Section 18, Article II and Section 3, Article XIII of the Constitution and Article 3 of the Labor Code of the Philippines, to recognize labor as a primary social and economic force, afford full protection to workers, promote their welfare, and regulate relations between workers and employers in accordance with social justice.

Towards this end, the State shall promote fair, transparent, and humane employment relations and ensure that workers are adequately informed of, and are able to meaningfully exercise, their rights under the Constitution, the Labor Code, and other labor and social legislation.

SEC. 3. Objectives. — This Act seeks to:

- (a) Ensure that workers are provided, on or before their first day of work, with written employment contracts containing the material terms and conditions of their employment in clear and understandable language, and that employers adequately explain such terms and provide workers with reasonable time and opportunity to review and understand the contract before signing or acknowledging it;
- (b) Recognize the timely issuance and accessibility of employment contracts and employment-related documents as essential to wage protection, due process, security of tenure, social protection, and effective access to labor justice;
- (c) Guarantee workers reasonable and timely access to employment records necessary to verify their wages, benefits, attendance, employment status, personnel actions, and separation from service;
- (d) Require employers to provide workers with copies of employment-related documents issued to, signed by, or materially affecting them;
- (e) Prevent the withholding, confiscation, concealment, alteration, destruction, or refusal to release employment documents as a means of coercion, retaliation, or obstruction of a labor or social protection claim;
- (f) Strengthen labor standards enforcement through the creation, maintenance, preservation, and production of complete and accurate employment records;
- (g) Prevent employers from benefiting from their failure to issue, maintain, or produce employment documents required by law; and
- (h) Establish proportionate and simplified compliance mechanisms for micro and small enterprises without diminishing the substantive rights and protections of their workers.

SEC. 4. Coverage. — This Act shall apply to all employers and workers in the private sector, regardless of:

- (a) The size, nature, or form of the employer's business or undertaking;
- (b) The worker's position, occupation, or method of compensation;
- (c) Whether the worker is employed on a regular, probationary, casual, seasonal, project, fixed-term, part-time, temporary, reliever, apprentice, learner, or other basis;
- (d) Whether work is performed onsite, remotely, from home, in the field, or under an alternative work arrangement; and
- (e) Whether the worker is directly hired or deployed through a contractor, subcontractor, agency, cooperative, or similar entity.

Workers covered by special laws shall continue to enjoy the protections granted under such laws: Provided, That where the provisions of this Act are more favorable to the worker, the more favorable provision shall apply: Provided, further, That nothing in this Act shall be

construed to establish an employer-employee relationship where none exists under law: Provided, finally, That the absence, title, or contents of a written contract shall not be conclusive in determining the existence or nature of such relationship.

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

(a) **Employment contract** refers to a written legal instrument, agreement, or statement that sets forth the essential terms and conditions governing a worker's employment and the corresponding rights and obligations of the employer and the worker;

(b) **Employment-related documents** refer to documents created, issued, received, or maintained by an employer in connection with a worker's hiring, compensation, attendance, benefits, performance, movement, discipline, and separation from employment;

(c) **Key employment document** refers to any document that materially affects a worker's wages, benefits, work assignment, work schedule, employment status, disciplinary liability, security of tenure, or separation from employment;

(d) **Micro and small enterprises** refer to enterprises classified as micro or small in accordance with Republic Act No. 6977, as amended by Republic Act No. 9501, otherwise known as the "Magna Carta for Micro, Small and Medium Enterprises," and its implementing rules and regulations;

(e) **Personnel action** refers to regularization, promotion, demotion, transfer, reassignment, change in duties or work location, change in compensation or benefits, change in work schedule, placement on floating status, suspension, disciplinary action, retrenchment, redundancy, or termination;

(f) **Plain language** refers to language that is clear, concise, organized, and reasonably understandable to the worker for whom the document is intended; and

SEC. 6. *Right to a Written Employment Contract.* — Every employer shall provide each worker with a complete written employment contract in plain language on or before the worker's first day of work, and no worker shall be required or permitted to begin work without first being furnished a copy thereof.

In emergency or urgent hiring situations where prior completion of the full contract is not reasonably practicable, the employer shall provide the worker, before work begins, with a written employment information sheet containing at least the information required under paragraphs (a) to (i) of Section 7. The complete contract shall be provided not later than three working days from the worker's first day of work.

The employer shall bear the burden of proving that the worker was furnished with a complete copy of the contract within the required period.

SEC. 7. *Minimum Contents of the Employment Contract.* — The employment contract shall state, at a minimum:

(a) The names of the employer and worker;

- (b) The employer's business address and contact information;
- (c) The date of commencement of employment;
- (d) The worker's position, job title, general duties, and principal place of work;
- (e) The worker's employment status and, where applicable, the duration or specific project, season, or undertaking for which the worker is hired;
- (f) In case of probationary employment, the reasonable standards under which the worker may qualify for regular employment;
- (g) The basic wage or salary, including the rate, method, frequency, and place or manner of payment;
- (h) The allowances, incentives, commissions, benefits, or other forms of compensation applicable at the commencement of employment;
- (i) The normal days and hours of work, meal periods, rest days, and applicable shift schedule;
- (j) Rules concerning overtime, night work, rest-day work, and holiday work;
- (k) Leave benefits and procedures for availing of leave;
- (l) Authorized deductions and the legal or contractual basis for such deductions;
- (m) Statutory social protection coverage and contribution obligations;
- (n) Applicable company rules, policies, collective bargaining agreements, and grievance procedures;
- (o) The grounds and procedures for disciplinary action and termination, consistent with law and due process;
- (p) The office, person, or contact information through which the worker may request employment documents or raise employment-related concerns; and
- (q) Such other information as the Secretary of Labor and Employment may require for the protection of workers.

SEC. 8. *Simplified Contract for Micro and Small Enterprises.* — To facilitate compliance with Sections 6 and 7 of this Act, the Department of Labor and Employment shall prescribe a standard simplified employment contract that may be used by micro and small enterprises.

The simplified contract shall contain all material terms and conditions required under this Act but may use a concise format, including tables, checkboxes, schedules, or attached information sheets: Provided, That its use shall not exempt an employer from disclosing any material term or condition of employment, diminish any labor standard or worker

protection, or relieve the employer of the duty to explain the contract and provide the worker with a complete copy thereof.

SEC. 9. *Employment Status Not Determined by Contractual Designation.* — The existence and nature of an employer-employee relationship and the worker's proper employment status shall be determined by law and the actual circumstances under which work is performed.

A contractual provision describing a worker as an independent contractor, consultant, talent, partner, member, volunteer, trainee, project worker, or by any similar designation shall not defeat an employer-employee relationship when the elements of such relationship are present.

The failure to issue a written employment contract shall not:

- (a) Negate an existing employer-employee relationship;
- (b) Deprive a worker of regular employment when regular status is warranted under law;
- (c) Authorize the employer to impose terms less favorable than those required by law; or
- (d) Prejudice the worker's right to wages, benefits, security of tenure, and other employment rights.

SEC. 10. *Plain Language and Translation.* — Employment contracts and key employment documents shall be written in plain language.

When the employer knows or reasonably ought to know that a worker cannot adequately understand the document because of language, literacy, disability, or a comparable barrier, the employer shall, without charge:

- (a) Provide an accurate translation or explanation in Filipino or in a language understood by the worker;
- (b) Provide a simplified summary of the document; or
- (c) Make the document available in an appropriate accessible format.

The translated or simplified version shall not reduce or alter the rights contained in the original document.

A worker's signature shall acknowledge receipt of the document but shall not constitute conclusive proof that the worker understood or freely accepted a provision that was unlawful, misleading, concealed, or inadequately explained.

SEC. 11. *Written Notice of Material Changes.* — Any material change in the terms or conditions of employment shall be communicated to the worker in writing before its intended effectivity.

The written notice shall identify:

- (a) The term or condition being changed;
- (b) The reason and legal basis for the change;
- (c) The date of effectivity;
- (d) The expected duration, when temporary; and
- (e) The effect of the change on the worker's compensation, benefits, duties, schedule, work location, status, or continued employment.

No notice, acknowledgment, revised contract, or written acceptance shall validate a change that:

- (1) Violates law, a wage order, collective bargaining agreement, or employment contract;
- (2) Results in an unlawful diminution of wages or benefits;
- (3) Constitutes constructive dismissal, discrimination, retaliation, or unfair labor practice; or
- (4) Was obtained through fraud, force, intimidation, misrepresentation, or undue influence.

SEC. 12. *Right to Employment-Related Documents.* — Every worker shall have the right to receive and obtain copies of employment-related documents concerning the worker, including records relating to hiring, compensation, attendance, benefits, performance, personnel or disciplinary actions, statutory contributions, and separation from employment, as well as any agreement, undertaking, or record materially affecting the worker's rights and obligations.

SEC. 13. *Documents to Be Provided as a Matter of Course.* — An employer shall provide a worker with a copy of:

- (a) Every contract, undertaking, authorization, waiver, acknowledgment, or similar document signed by the worker, immediately upon signing;
- (b) Every personnel action, disciplinary notice, performance evaluation, or separation notice issued to the worker, at the time of issuance;
- (c) Every payslip, in accordance with applicable law and regulations;
- (d) Every revised employment contract or written amendment, before its effectivity; and
- (e) Other documents which the Secretary of Labor and Employment may require to be furnished as a matter of course.

No worker shall be required to make a separate request for a document that the employer is required to provide under this section.

SEC. 14. *Documents Provided Upon Request.* — Upon a worker's written or verifiable request, the employer shall provide copies of the requested employment records within three (3) working days.

When the request involves unusually voluminous or archived records, the employer may extend the period for not more than seven (7) additional working days, provided that the worker is informed in writing of the reason for the extension and the date when the records will be released.

The request may be made personally or through any verifiable written or electronic means. The employer may require reasonable proof of identity but shall not require the worker to disclose the purpose of the request, secure supervisory approval, complete an exit clearance, execute a quitclaim or settlement, or comply with any condition unrelated to identity verification and the protection of personal information.

SEC. 15. *Certificate of Employment.* — Every employer shall issue a Certificate of Employment free of charge within three (3) working days from the worker's request, whether made during or after employment, or from the worker's separation from service, without need of a request.

The Certificate of Employment shall state the worker's name, position or positions, inclusive dates of employment, and the employer's business name and address. Upon the worker's written request, it may also state the worker's last rate of compensation, employment status, general duties, and reason for separation: Provided, That any reason for separation stated therein shall be accurate, final, relevant, and not misleading.

The issuance of the Certificate of Employment shall not be conditioned upon the completion of an exit clearance, return of company property, payment of an alleged liability, execution of a quitclaim or settlement, withdrawal of a complaint, or compliance with any other unreasonable condition, without prejudice to the employer's right to pursue a separate lawful claim.

SEC. 16. *Separation Documents.* — Within three (3) working days from separation, the employer shall provide the worker with a written document stating the nature and effective date of separation and an itemized preliminary computation of final pay and benefits based on the records reasonably available at the time.

The employer shall likewise furnish the worker with a copy of any clearance, quitclaim, waiver, release, or settlement document that the worker is requested to sign.

Any subsequent adjustment to the preliminary computation shall be lawful, explained, and itemized in writing.

Nothing in this section shall extend any shorter or more favorable period for the payment of wages, final pay, or benefits under law, regulation, agreement, or established company practice.

SEC. 17. *Manner of Providing Documents.* — Employment documents shall be provided:

- (a) Free of charge;
- (b) In paper or electronic form, taking into account the worker's reasonable preference and access;
- (c) In a form that may be read, retained, copied, or printed by the worker; and
- (d) Through a means that reasonably establishes the date of issuance and receipt.

An employer shall not satisfy its obligation by merely displaying a document without permitting the worker to retain a copy.

Where documents are made available through an electronic portal or system, the worker shall be permitted to download, save, or print a usable copy. A worker who lacks reasonable electronic access shall be provided with a paper copy or another accessible form without charge.

SEC. 18. *Simplified Recordkeeping and Government Assistance for Micro and Small Enterprises.* — The Department of Labor and Employment shall prescribe simplified forms and procedures to facilitate compliance by micro and small enterprises with the recordkeeping and documentation requirements of this Act.

Such forms and procedures may include employee information sheets, payroll and attendance registers, personnel-action and disciplinary forms, Certificates of Employment, separation records, and other basic employment record templates. Records may be maintained through paper-based, spreadsheet-based, or other low-cost and reliable methods.

Micro and small enterprises shall not be required to establish a separate human resources department, purchase specialized payroll or recordkeeping software, maintain duplicative paper and electronic records, or adopt a recordkeeping system more complex than reasonably necessary to demonstrate compliance.

The simplified forms and procedures shall contain the minimum information necessary to protect workers and enforce labor standards. Their use shall not exempt an employer from any substantive obligation or diminish the rights and protections granted under this Act.

The Department shall provide free forms, compliance guides, orientation, and technical assistance through its existing programs and offices and may coordinate with the Department of Trade and Industry, Negosyo Centers, local government units, Public Employment Service Offices, and workers' and employers' organizations for this purpose.

SEC. 19. *Right to Inspect Relevant Employment Records.* — A worker shall have the right to inspect employment records specifically relating to the worker during reasonable hours and in the presence of the employer or an authorized records custodian.

The employer may redact information necessary to protect:

- (a) The personal information of another person;

- (b) A legitimate trade secret unrelated to the worker's employment rights; or
- (c) A communication protected by a privilege recognized by law.

The employer shall release all reasonably separable portions of a record.

A record shall not be withheld merely because it is described as confidential, proprietary, internal, a management document, or the property of the employer. The employer bears the burden of identifying the specific lawful ground for withholding or redacting any portion of the record.

SEC. 20. *Correction of Employment Records.* — A worker may request the correction or completion of an employment record that is inaccurate, incomplete, or misleading.

The employer shall act on the request within five (5) working days.

When the request is granted, the worker shall be provided with the corrected record.

When the request is denied, the employer shall provide a written explanation stating the factual basis for the denial.

When the parties disagree on the accuracy of a record, the worker may submit a written statement of disagreement. The statement shall be attached to or maintained with the disputed record and shall be considered whenever the record is used as a basis for a personnel action.

SEC. 21. *Record Retention and Preservation.* — Employers shall maintain complete and reasonably accurate employment records throughout the worker's employment.

Employment contracts, payroll records, attendance records, personnel-action notices, disciplinary records, and separation documents shall be retained for at least three years after the worker's separation, without prejudice to a longer period required under another law or regulation.

When an employer receives notice of a complaint, labor inspection, administrative proceeding, voluntary arbitration, or judicial action involving a worker, the employer shall preserve all relevant records until the final resolution of the matter.

SEC. 22. *Prohibited Acts.* — It shall be unlawful for an employer or any person acting on behalf of an employer to:

- (a) Permit a worker to begin work without providing the written contract or employment information sheet required under this Act;
- (b) Require a worker to sign a blank, incomplete, undated, backdated, substituted, or materially inaccurate document;
- (c) Refuse to provide the worker with a copy of a document signed by or attributed to the worker;

- (d) Alter, fabricate, substitute, conceal, suppress, or destroy an employment contract or employment record to prejudice a worker;
- (e) Require a worker to surrender, return, delete, or destroy the worker's copy of an employment document;
- (f) Withhold, confiscate, or refuse to release an employment document as a means of coercion, retaliation, discrimination, or obstruction of a labor claim;
- (g) Charge the worker for a document required under this Act;
- (h) Condition the release of an employment contract, Certificate of Employment, payslip, personnel record, or separation document upon the execution of a waiver, quitclaim, release, or settlement;
- (i) Obtain a worker's signature or acceptance through fraud, force, intimidation, misrepresentation, or undue influence;
- (j) Use a translated or simplified document that materially misstates the worker's terms and conditions of employment;
- (k) Refuse without lawful basis to correct or annotate a materially inaccurate record; or
- (l) Circumvent the requirements of this Act through a waiver, handbook provision, side agreement, outsourcing arrangement, or misleading characterization of the employment relationship.

SEC. 23. *Evidentiary Effect of Failure to Produce Records.* — In a labor inspection, administrative proceeding, voluntary arbitration, or judicial action, a rebuttable presumption shall arise in favor of the worker when the employer, despite having the legal duty to create, issue, retain, or produce a required document, commits any of the following:

- (a) Fails to issue or create the document;
- (b) Fails to preserve or produce it within the required period;
- (c) Produces an incomplete, altered, backdated, or materially unreliable document; or
- (d) Denies the worker access without lawful justification.

The presumption shall apply to the worker's reasonable and credible account of the matter that should have been contained in the missing or unreliable record.

The employer may rebut the presumption through clear, credible, and independently verifiable evidence.

A document prepared only after a dispute arose shall not, standing alone, be sufficient to overcome the presumption.

SEC. 24. *Protection Against Retaliation.* — No worker shall be dismissed, suspended, demoted, transferred, harassed, threatened, discriminated against, denied a benefit, subjected to unfavorable scheduling, or otherwise prejudiced for:

- (a) Requesting or obtaining an employment document;
- (b) Refusing to sign a blank, incomplete, inaccurate, backdated, unlawful, or unexplained document;
- (c) Requesting the correction of an employment record;
- (d) Filing or supporting a complaint;
- (e) Cooperating with a labor inspection or proceeding;
- (f) Preserving or presenting an employment record for a lawful purpose; or
- (g) Exercising any right under this Act.

An adverse action taken within six months from the employer's knowledge of the exercise of a right under this section shall create a rebuttable presumption of retaliation.

SEC. 25. *Complaints and Requests for Assistance.* — A worker, union, workers' organization, or authorized representative may file a complaint or request for assistance with any DOLE regional, provincial, or field office.

The complaint may be filed personally, in writing, or through available electronic means and shall not require notarization.

DOLE shall establish an expedited process for requests involving:

- (a) A worker who has not received a written employment contract;
- (b) A Certificate of Employment needed for immediate reemployment;
- (c) Documents needed to claim wages, benefits, social insurance, compensation, or medical assistance;
- (d) Records at risk of destruction, concealment, or alteration; or
- (e) Retaliation or threatened retaliation.

DOLE may direct the immediate preservation or provisional release of a document when delay may cause substantial prejudice to the worker.

SEC. 26. *Visitorial and Enforcement Powers.* — Compliance with this Act shall form part of the labor standards enforced through the visitorial and enforcement powers of the Secretary of Labor and Employment and duly authorized representatives under Article 128 of the Labor Code, as amended.

Authorized DOLE personnel may:

- (a) Inspect employment contracts and employment-related records;
- (b) Require the production, copying, and preservation of records;
- (c) Privately interview workers;
- (d) Issue compliance orders directing the issuance, correction, restoration, or release of documents;
- (e) Order the cessation of retaliatory or obstructive acts;
- (f) Direct the refund of fees unlawfully charged to workers; and
- (g) Impose administrative penalties in accordance with this Act.

SEC. 27. *Corrective Compliance for Micro and Small Enterprises.* — For a first non-willful violation committed by a micro or small enterprise, DOLE may issue a corrective compliance order granting the employer a period not exceeding ten (10) working days to:

- (a) Provide the missing document;
- (b) Correct an incomplete or inaccurate record;
- (c) Adopt the appropriate simplified form; and
- (d) Submit proof of compliance.

When the employer fully complies within the period and no worker suffered unpaid wages, loss of benefits, dismissal, retaliation, coercion, or material prejudice, DOLE may reduce or waive the administrative fine.

Corrective compliance shall not apply when the violation involves:

- (1) A repeated failure to provide written contracts;
- (2) Falsification, backdating, substitution, destruction, or concealment of records;
- (3) Retaliation, intimidation, or coercion;
- (4) Withholding of wages or benefits;
- (5) Obstruction of a labor inspection or claim;
- (6) Conditioning the release of records on a waiver or settlement; or
- (7) A violation affecting ten or more workers.

The opportunity for corrective compliance shall not delay the immediate release of a document urgently needed by a worker.

SEC. 28. *Administrative Penalties.* — Subject to the corrective compliance mechanism under Section 27 of this Act, the Secretary of Labor and Employment or an authorized representative may, after notice and opportunity to be heard, impose the following administrative fines:

- (a) For a first violation, a fine of not less than Ten thousand pesos (₱10,000.00) but not more than Thirty thousand pesos (₱30,000.00), plus an additional amount not exceeding One thousand pesos (₱1,000.00) for each affected worker;
- (b) For a second violation committed within three (3) years from the finality of the finding of the first violation, a fine of not less than Thirty thousand pesos (₱30,000.00) but not more than Seventy-five thousand pesos (₱75,000.00), plus an additional amount not exceeding Two thousand pesos (₱2,000.00) for each affected worker;
- (c) For a third or subsequent violation committed within three (3) years from the finality of the finding of the immediately preceding violation, a fine of not less than Seventy-five thousand pesos (₱75,000.00) but not more than One hundred fifty thousand pesos (₱150,000.00), plus an additional amount not exceeding Five thousand pesos (₱5,000.00) for each affected worker; and
- (d) For falsification, deliberate destruction or concealment of records, coercion, retaliation, obstruction of a labor claim or inspection, or conditioning the release of employment documents upon a waiver, quitclaim, release, or settlement, a fine of not less than One hundred thousand pesos (₱100,000.00) but not more than Five hundred thousand pesos (₱500,000.00), taking into account the number of workers affected and the gravity of the violation.

For purposes of this section, violations arising from the same act, omission, policy, or practice and discovered in the same inspection or proceeding shall be treated as one violation, without prejudice to the imposition of the additional amount for each affected worker.

In determining the appropriate penalty, the Department shall consider:

- (1) The gravity and duration of the violation;
- (2) The number of workers affected;
- (3) The size and financial capacity of the employer;
- (4) Whether the violation was intentional, repeated, retaliatory, or fraudulent;
- (5) The prejudice suffered by the workers;
- (6) The employer's cooperation and prompt corrective action; and
- (7) The need to deter future violations.

The payment of a fine shall not extinguish the employer's obligation to issue, release, restore, or correct the required employment document.

SEC. 29. *Criminal Liability.* — Any Any act involving the falsification, fabrication, material alteration, concealment, destruction, or suppression of an employment contract or an employment-related record; the use of force, threat, intimidation, fraud, or coercion to compel a worker to sign a blank, backdated, or materially false document; or any other act punishable under the Revised Penal Code, the Data Privacy Act of 2012, or other applicable laws shall be referred to the appropriate law enforcement or prosecutorial authority.

Criminal liability under applicable laws shall be without prejudice to the administrative and civil liabilities imposed under this Act.

SEC. 30. *Civil Liability.* — An employer who violates this Act shall be liable for actual damage directly suffered by the worker, including reasonable expenses incurred in recovering records, pursuing delayed benefits, or correcting inaccurate information.

When the violation is attended by fraud, bad faith, coercion, retaliation, or deliberate obstruction of a labor claim, the worker may recover moral and exemplary damages and attorney's fees in accordance with law.

Nothing in this Act shall limit a worker's right to recover wages, benefits, reinstatement, separation pay, damages, or other relief under the Labor Code, the Civil Code, a collective bargaining agreement, or another applicable law.

SEC. 31. *Non-Waiver of Rights.* — Any waiver, agreement, policy, handbook provision, quitclaim, or undertaking that defeats, reduces, delays, or circumvents a right under this Act shall be void.

A worker's failure to immediately request, inspect, question, or object to an employment document shall not constitute a waiver of any right or ratification of an unlawful term or inaccurate record.

SEC. 32. *Labor Education and Information Dissemination.* — The Department of Labor and Employment shall integrate information on the rights and obligations established under this Act into its existing labor education, labor inspection, technical assistance, regional operations, and public information programs.

The Department may coordinate with other concerned government agencies and workers' and employers' organizations and shall make relevant information available in Filipino and English and, where practicable, in major Philippine languages and accessible formats.

Employers shall post in a conspicuous place or make available through an existing workplace communication platform a Department-prescribed notice summarizing workers' rights under this Act.

SEC. 33. *Appropriations.* — The amount necessary for the initial implementation of this Act shall be charged against the current appropriations of the Department of Labor and

Employment and other concerned agencies, subject to applicable budgeting, accounting, and auditing laws, rules, and regulations.

The Department of Labor and Employment and other concerned agencies shall, to the greatest extent practicable, implement this Act through their existing labor standards enforcement, labor education, technical assistance, regional operations, enterprise development, employment facilitation, and public information programs.

No new office, bureau, unit, or permanent plantilla position shall be created solely for the implementation of this Act unless specifically authorized and funded under the General Appropriations Act.

Thereafter, such sums as may be necessary for the continued implementation of this Act shall be included in the annual General Appropriations Act.

SEC. 34. *Implementing Rules and Regulations.* — Within ninety (90) days from the effectivity of this Act, the Secretary of Labor and Employment shall, after consultation with workers' and employers' organizations and other relevant stakeholders, promulgate the rules and regulations necessary for its effective implementation.

SEC. 35. *Construction in Favor of Labor.* — All doubts in the interpretation and implementation of this Act shall be resolved in favor of protecting the worker's right to clear, accurate, timely, and accessible employment information.

SEC. 36. *Separability Clause.* — If any provision of this Act is declared unconstitutional or invalid, the remaining provisions not affected thereby shall remain in full force and effect.

SEC. 37. *Repealing Clause.* — All laws, decrees, executive orders, rules and regulations, and other issuances or parts thereof inconsistent with this Act are hereby repealed, amended, or modified accordingly.

SEC. 38. *Effectivity.* — This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,