

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
Second Regular Session



HOUSE BILL No. 11105

Introduced by REP. RAMIL L. HERNANDEZ

**AN ACT PROMOTING WAGE TRANSPARENCY AND EQUITY BY REQUIRING
MANDATORY SALARY DISCLOSURE IN JOB ADVERTISEMENTS AND PROVIDING
PENALTIES FOR VIOLATIONS THEREOF**

EXPLANATORY NOTE

Section 18, Article II of the 1987 Constitution provides that "the State affirms labor as a primary social economic force" and mandates that it shall "protect the rights of workers and promote their welfare." To give full substance to this constitutional principle, workplace mechanisms must evolve to ensure equity, transparency, and dignity for every Filipino job seeker and employee.

In today's dynamic job market, information asymmetry regarding compensation significantly disadvantages applicants and employees. The practice of concealing compensation details until the final stages of recruitment creates inefficiency, inflates job search costs, and fosters wage disparities. Providing open access to salary information allows applicants to make informed choices, streamlines recruitment processes for employers, and protects workers from arbitrary wage discrimination.

Furthermore, standardizing wage disclosure strengthens public trust, encourages merit-based compensation structures, and advances fair pay standards across both public and private sectors.

This measure establishes standard guidelines for clear compensation disclosure across job vacancy advertisements, while providing reasonable exemptions to safeguard micro-enterprises, national security concerns, and emergency hiring arrangements.

In view of the foregoing, the passage of this bill is respectfully requested.

RAMIL L. HERNANDEZ
2nd District, Laguna

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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 "**Fair Compensation and Job Transparency Act.**"

Section 2. *Scope and Coverage.* – This Act shall apply to all employers in both the public and private sectors.

- **Public Sector:** Includes national government agencies, local government units, government-owned or controlled corporations (GOCCs) and their subsidiaries, government instrumentalities, and all other agencies or branches of the Republic of the Philippines.
- **Private Sector:** Includes any person, partnership, corporation, or entity, whether local or foreign, operating for profit or non-profit, that directly engages the services of Filipino workers.

Section 3. *Mandatory Salary Disclosure.* – All job advertisements, announcements, or postings intended for recruitment, whether for new hires, promotions, transfers, or reassignments, shall clearly and definitively state either a fixed salary amount or a specific salary range.

- **Fixed Salary:** When a fixed salary is offered, the exact amount must be clearly indicated.

- **Salary Range:** The stated range or fixed salary shall reflect the basic salary, exclusive of allowances, performance bonuses, or other contingent benefits.
- **Correction Period:** Employers instructed by the Department of Labor and Employment (DOLE) or appropriate government agency to amend non-compliant postings shall comply and notify all affected applicants within thirty (30) days from receipt of such order.

Section 4. Punishable Acts. – Any employer who violates any provision of Section 4 of this Act shall, after due notice and hearing by the Department of Labor and Employment (DOLE) or appropriate agency, be subject to the following administrative fines and penalties:

(a) First Offense: A fine ranging from Ten Thousand Pesos (₱10,000.00) to Twenty Thousand Pesos (₱20,000.00), plus a mandatory order to issue a compliant job posting within fifteen (15) days;

(b) Second Offense: A fine ranging from Twenty-Five Thousand Pesos (₱25,000.00) to Fifty Thousand Pesos (₱50,000.00);

(c) Third and Subsequent Offenses: A fine ranging from Fifty Thousand Pesos (₱50,000.00) to One Hundred Thousand Pesos (₱100,000.00), without prejudice to the suspension or revocation of the employer's business permit or authority to operate, as applicable under existing laws.

Section 5. Implementing Rules and Regulations. – Within ninety (90) days from the effectivity of this Act, the Secretary of Labor and Employment, in consultation with relevant government agencies and stakeholders, shall promulgate the necessary rules and regulations for the effective implementation and procedural enforcement of this Act.

Section 6. Exemptions. – The provisions of this Act shall not apply to:

(a) Microenterprises: Any business enterprise whose total assets do not exceed Three Million Pesos (₱3,000,000.00), exclusive of land, and employs fewer than three (3) employees;

(b) Domestic Workers: Employers hiring domestic household workers pursuant to Republic Act No. 10361 (Batas Kasambahay) or other applicable laws;

(c) Sensitive/Security Roles: Positions involving national defense, national security, or intelligence functions where compensation disclosure could compromise operational security protocols; and

(d) Emergency Engagements: Short-term, emergency, or project-based hiring necessitated by natural disasters, public health emergencies, or urgent public service needs.

Section 7. *Separability Clause.* – If any provision or part of this Act is declared unconstitutional or invalid, the remaining provisions not affected thereby shall continue to be in full force and effect.

Section 8. *Repealing Clause.* – All laws, decrees, executive orders, rules, and regulations or parts thereof inconsistent with the provisions of this Act are hereby repealed, amended, or modified accordingly.

Section 9. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,