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SENATE
P. S. R. No. 126

RECEIVED BY: *[Signature]*

Introduced by Senator Miriam Defensor Santiago

RESOLUTION

DIRECTING THE SENATE COMMITTEE ON LABOR, EMPLOYMENT, AND HUMAN RESOURCES DEVELOPMENT TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE NEED TO PROTECT BUSINESS PROCESS OUTSOURCING EMPLOYEES FROM VIOLATIONS OF THEIR RIGHTS AS WORKERS THROUGH THE PASSAGE OF SENATE BILL NO. 57, OR THE MAGNA CARTA OF CALL CENTER WORKERS

WHEREAS, the Constitution, Article 2, Section 20 provides: "The State recognizes the indispensable role of the private sector, encourages private enterprise, and provides incentives to needed investments";

WHEREAS, Section 18 of the same provides: "The State affirms labor as a primary social economic force. It shall protect the rights of workers and promote their welfare";

WHEREAS, revenues from the business process outsourcing (BPO) industry in the country reportedly rose steadily since 2009, and said to have raked in \$13.5 billion in revenues in 2012, 22 percent higher than 2011;

WHEREAS, the undersigned filed in the present Congress Senate Bill No. 57, or the "Magna Carta for Call Center Workers Act", aiming to protect the interests and welfare of the workers in the business process outsourcing industry;

WHEREAS, since its filing, the bill has been garnering popular support, particularly coming from call center employees, as evidenced in social media;

WHEREAS, the *Philippine Daily Inquirer* printed on its 19 July 2013 issue a letter from Sylvio Dorig Jr., spokesperson of Cebu City-based Inter-Call Center Association of Workers (ICCAW), a group representing BPO employees, calling for this representation to investigate alleged "BPO sweatshops" violating workers rights;

WHEREAS, the group cited two examples of BPO companies allegedly violating workers rights:

- There are currently pending cases of illegal closure, nonpayment of salaries and nonremittance of benefits filed by 76 BPO workers in the Region 7 Branch of the National Labor Relations Commission (NLRC) against a BPO company in Cebu that closed down early this year;

- Former employees of an Ortigas-based call center filed cases at the NLRC last 20 May 2013 for alleged violations of labor standards, including illegal dismissal; the workers alleged in their complaint that they were paid only P200 a day and received no overtime pay, holiday pay, rest day premium, service incentive leave, 13th-month pay and cost of living allowance; in addition, the groups said that Social Security System has verified that the company was not remitting deductions;

WHEREAS, the group also alleged that some BPO companies operate in “sweatshop” and stressful working conditions, possibly violating recent amendments to the Presidential Decree No. 442, also known as the Labor Code of the Philippines, through Republic Act No. 101151 elaborating on the rights of employed night workers, specifically the following provisions:

- Art. 155. Health Assessment. — At their request, workers shall have the right to undergo a health assessment without charge and to receive advice on how to reduce or avoid health problems associated with their work.
- Art. 156. Mandatory Facilities. — Suitable first-aid facilities shall be made available for workers performing night work, including arrangements where such workers, where necessary, can be taken immediately to a place for appropriate treatment. The employers are likewise required to provide safe and healthful working conditions and adequate or reasonable facilities such as sleeping or resting quarters in the establishment and transportation from the work premises to the nearest point of their residence subject to exceptions and guidelines to be provided by the DOLE.
- Art. 159. Compensation. — The compensation for night workers in the form of working time, pay or similar benefits shall recognize the exceptional nature of night work.

WHEREAS, considering that the country’s BPO industry has the distinction of both contributing to the country’s economic growth and sustaining it through the services it offers, Congress should ensure the protection of its employees by setting a public hearing for the passage of the Magna Carta for Call Center Workers at the soonest possible time;

WHEREFORE, be it hereby resolved by the Philippine Senate to direct the Senate committee on labor, employment, and human resources development to conduct an inquiry, in aid of legislation, on the need to protect business process outsourcing employees from violations of their rights as workers through the passage of Senate Bill No. 57, or the Magna Carta of Call Center Workers.

Adopted,

Miriam Defensor Santiago
MIRIAM DEFENSOR SANTIAAGO

/tt