



SENATE

S. No. 888

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Introduced by SENATOR RAMON BONG REVILLA, JR.

**AN ACT
PROVIDING FOR THE PROTECTION OF WORKERS IN THE BUSINESS
PROCESS OUTSOURCING (BPO) INDUSTRY**

EXPLANATORY NOTE

Article XIII, Section 3 of the Philippine Constitution provides that:

"The State shall afford full protection to labor, local and overseas, organized and unorganized, and promote full employment and equal employment opportunities for all. It shall guarantee the rights of all workers to self-organization, collective bargaining and negotiations, and peaceful concerted activities, including the right to strike in accordance with law. They shall be entitled to security of tenure, humane conditions of work, and a living wage. They shall also participate in policy and decision-making processes affecting their rights and benefits as may be provided by law."

The Philippines is now considered as one of the world's largest destination for business process outsourcing (BPO) industries. It has grown exponentially generating \$US 22.1 billion in revenue in 2017, a 12% increase in the last years. According to the Information Technology and Business Process Association of the Philippines (IBPAP), this is expected to increase. As to date, the Philippines is now dubbed as the industry leader for contact center outsourcing, accounting to 17% of the national gross domestic product (GDP).

This bills seeks to protect the interests and welfare of the workers in the BPO industry by giving them the right to social protection and the right to social dialogue. As the BPO industry plays a significant role to the national economy, it is rather apt to protect the interests and welfare of the employees of this industry.

There is a need to balance the interests of BPO companies with the rights of employees. We cannot truly boast of our BPO industry to the world if it does not comply with the most basic labor standards. Hence, the passage of this bill is earnestly sought.


RAMON BONG REVILLA, JR.



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AN ACT
**PROVIDING FOR THE PROTECTION OF WORKERS IN THE BUSINESS
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*Be it enacted by the Senate and the House of Representative of the Philippines in
Congress assembled:*

1 Section 1. *Short Title.* This Act shall be known as the "Magna Carta for
2 BPO Workers Act of 2019."

3 Sec. 2. *Declaration of Policy.* – (a) It is the policy of the State to afford full
4 protection to labor, local and overseas, organized and unorganized, and promote
5 full employment and equal employment opportunities for all.

6 (b) The State shall guarantee the rights of all workers to self-
7 organization, collective bargaining and negotiations, and peaceful
8 concerted activities, including the right to strike in accordance with law.
9 They shall be entitle to security of tenure, humane conditions of work, and
10 a living wage. They shall also participate in policy and decision-making
11 processes affecting their rights and benefits as may be provided by law.

1 whatsoever, shall have the right to establish and, subject only to the
2 rules of the organization concerned, to join organizations of their own
3 choosing without previous authorization.

4 *Sec. 3. Definition of Terms.* – As used in this Act, the term:

5 (a) “Business Process Outsourcing” or “BPO” refers to the transfer of
6 an organization’s non-core processes to a third-party who uses an
7 information technology based service delivery, and in turn manages
8 the selected process based on defined and measurable
9 performance criteria;

10 (b) “Call center” is a type of BPO and refers to a centralized office for
11 receiving and transmitting requests by telephone or Internet. Call
12 center operations include, but are not limited to, the granting of
13 incoming product support, information inquiries from consumers,
14 and outgoing calls for telemarketing, clientele, product services,
15 and debt collection;

16 (c) “BPO worker/ employee” shall refer to any person employed in a
17 BPO industry either in a temporary/ probationary or permanent
18 capacity;

19 (d) “Department” shall refer to the Department of Labor and
20 Employment;

21 (e) “Secretary” shall refer to the Secretary of Labor and Employment.

22 *Sec. 4. Rights of BPO Workers/ Employees.* – BPO workers/ employees
23 shall enjoy the following rights:

24 (a) The right to organize and join labor organizations;

25 (b) The right to a safe and healthy working environment which will
26 facilitate optimal physical and mental health in relation to their
27 work;

28 (c) BPO workers/ employees shall have at least a one (1) hour
29 continuous meal break in the middle of every eight (8) hour shift;

- 1 (d) The right to privacy of BPO workers/ employees shall be respected.
2 The monitoring of personal phone calls shall not be allowed, and in
3 the event that their official phone conversations are monitored,
4 they must be informed of this at all times prior to the start of the
5 monitoring process;
- 6 (e) For workers/ employees working in the night shift, they shall have
7 the right to stay in a comfortable resting area within the employer's
8 premises until daybreak to ensure their safety;
- 9 (f) The right to be informed of the terms and conditions of their
10 contract.

11 *Sec. 5. Duties of Employers in the Industry.* – It is the duty of BPO
12 companies engaged in business in the Philippines to observe the following:

- 13 (a) Establish and maintain a safe and healthy working environment
14 which will facilitate optimal physical and mental health in
15 relation to the work of workers/ employees;
- 16 (b) Monitoring software should not be used to unduly pressure
17 employees and should not impose an oppressive working
18 environment;
- 19 (c) Employees should incorporate regular rest breaks and changes
20 in activity for all display screen equipment users;
- 21 (d) They are required to carry out risk assessments and to remove
22 monotonous work and work at a pre-determined rate when
23 designing tasks whenever possible;
- 24 (e) All BPO companies shall inform their prospective recruits that
25 they can have their contract explained to them free of charge at
26 the BPO Help Desk of the Department of Labor and
27 Employment;

28 *Sec. 6. BPO Help Desk.* – There shall be a BPO Help Desk at the
29 national and regional offices of the Department of Labor and Employment. It
30 shall be equipped to advise employees or prospective employees of BPO
31 companies of the terms and conditions of their employment when presented

1 with a copy of the contract. It shall also inform employees of the proper
2 procedure in filing complaints for violation of this Act.

3 *Sec. 7. Grievance Mechanism.* – There shall be a mechanism in every
4 company for the adjustment and resolution of grievances arising from the
5 interpretation and enforcement of employment contracts and company
6 personnel policies. This shall not require the prior existence of a collective
7 bargaining agreement for the mechanism to be put in place.

8 *Sec. 8. Jurisdiction.* – The Labor arbiter shall have primary and
9 exclusive jurisdiction to hear and decide within thirty (30) calendar days after
10 the submission of the case by the parties for decision without extension, even
11 in the absence of stenographic notes, cases involving all workers in the BPO
12 industry as provided for under Article 217 of the Labor Code.

13 *Sec. 9. Application to Other Sectors of the BPO Industry.* – The
14 provisions of this Act shall apply to other areas of the BPO industry whenever
15 applicable.

16 *Sec. 10. Annual Report to Congress.* – The Secretary shall submit a
17 report within one year from the implementation of this Act, and every year
18 thereafter, on the improvement in the working conditions and attrition rate in
19 the BPO industry.

20 *Sec. 11. Implementing Rules and Regulations.* – The Secretary shall
21 formulate and disseminate the Implementing Rules and Regulations of this
22 Act.

23 *Sec. 12. Separability Clause.* – If any provision or part hereof is held
24 invalid or unconstitutional, the remainder of the law or the provision not
25 otherwise affected shall remain valid and subsisting.

26 *Sec. 13. Repealing Clause.* – Any law, presidential decree or issuance,
27 executive order, letter of instruction, administrative order, rule or regulation
28 contrary to or inconsistent with, the provisions of this Act is hereby repealed,
29 modified, or amended accordingly.

1 Sec. 14. *Effectivity Clause.* – This Act shall take effect fifteen (15) days
2 after its publication in at least two (2) newspapers of general circulation.

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4 *Approved,*