

Tulfo to prioritize labor issues if elected to Senate



TELEVISION journalist Rafael T. Tulfo, a top vote getter in the unofficial Senate tally, said he plans to file legislation against wage theft, among other labor-centric priorities he intends to pursue when he is officially elected.

In an interview with Rappler on Thursday, he said his first bill will seek to impose stiffer penalties, including imprisonment, for wage theft, noting that the current

practice is only to issue warnings to employers that illegally withhold money from their workers.

The workers, he said, "are already poor, yet they're being made poorer."

The independent candidate said he supports a path for non-permanent workers to become regular employees, and wants contract-based work arrangements restricted to project-based employees.

Should ABS-CBN Corp. apply for a new franchise, the broadcast journalist said he would support it, in solidarity with the workers who had been rendered jobless.

"Just imagine how many of them have families to support."

He also supports the decriminalization of libel.

"(I find) no problem with any media outlet, broadcaster, colum-

nist, or writer finding holes" when the government makes mistakes, he said. "But the error being exposed must be the full truth, not one mixed with lies. No addition, no subtraction."

Disinformation should be tackled by granting more power to the National Bureau of Investigation and the Department of Information and Communication Technology, Mr. Tulfo said. Train-

ing, proper support and materials should be provided to enhance their ability to identify the source of fake news.

As of Thursday afternoon, Mr. Tulfo was credited with 23.2 million votes in the partial, unofficial tally, according to the Commission on Elections' transparency server, putting him third among the 64 Senate candidates. — **Alyssa Nicole O. Tan**

OPINION

Measuring the HR department's maturity level

I'm a newly-hired human resource (HR) manager for a provincial bank. On my first day in office, I noticed many red flags about our company's business practices. I need to submit a comprehensive HR plan to top management soon. What would be your recommendations for the ideal setup? — Hunter Boat

IN THE WORKPLACE REY ELBO

ELBONOMICS: All change starts as soon as you leave your comfort zone.

Your question revolves around the basic elements of an excellent HR system. This is an all-important issue that many of us, even those who are not in HR, need to understand. Fortunately, the answers are easy enough, starting with worker competence and how to channel it towards achieving company goals.

The key objective is to develop a corporate culture of improving worker competence. Start working on that, and it could ultimately define the entire HR system, its work processes and related norms. But first things first, you must set the tone with your top management.

Explore all the things that are negotiable and non-negotiable. For instance, are they willing to adjust your salary

structure to match industry standards and at the same time attract the best talent whose competence can be built on? If not, how are you going to work with

minimum wage earners, who typically come and go within a year?

There are many things to consider. In general, however, it boils down to the competitiveness of your pay and perks. If you can't afford to raise your game in those areas, then how will you attract and retain the best talent, especially those with hot skills? It's not easy. But with a targeted excellent HR system that evolves over the years, you can go a long way.

QUESTIONS AND METRICS

In creating an excellent HR system, you must start by asking questions to help you understand your current situation, with a view towards creating a road map. The following questions should help you address the "red flags" that are obstructing your mission of making HR a valuable partner in corporate profitability and sustainability.

What is your general people management philosophy? How does it

support the corporate vision, mission and values? HR is the internal expert that provides overall guidance on all manpower issues. Be unique. Don't get bogged down in the cliché that "people are the greatest asset." Instead, focus on what you can concretize in real terms, similar to the Toyota approach in measuring a "Respect for People" metric. But don't copy.

How do you hire and retain the best possible talent? Would you rather hire talent from a manpower agency and offer them regular posts in due time? Or do you hire directly for better control of the process? This can be done in many ways through manpower forecasting and planning.

The key metric here is an attrition rate averaging 5-7% per annum. However, please take note that 2% turnover could still be an issue if it promotes complacency, which results in poor labor productivity.

What is your salary structure and philosophy? This means doing a job evaluation (or re-evaluation) to identify the key job levels, ensure internal equity and create a competitive pricing structure. You also have to decide if you want your salary rates to be above average against an industry benchmark. Do you want a 10%, 25% or even 50% premium

over what the market is paying? The choice is yours.

How would you develop a strategic employee development plan? Money is not everything. Training and development could be an important equalizer. Depending on age, many people would opt to stay in an organization in exchange for sophisticated training, challenging assignments or a post-graduate scholarship. Some may even opt to be assigned overseas.

How would you maintain good employee relations? With or without a trade union, an organization can't be effective and productive if it doesn't have a sensible strategy built on proactive two-way communication. The goal is to achieve a measure of industrial democracy where all employees are expected to be open with their ideas and complaints.

This includes a labor-management cooperation scheme consistent with the labor code, or even quality circles, where workers can propose how to make their job more efficient.

What is your performance management system? Corollary to this is reward management that must be preceded by a systematic job analysis to ensure objectivity. Depending on the prevailing practice in your industry, you may apply a simple system

designed to facilitate 360 degree feedback. Whatever you choose, the applicable metric is "Pay for Performance," which involves merit increases that cover inflation plus a little extra for exemplary work performance.

CHALLENGES

Many organizations, regardless of the nature of their business, are faced with various challenges, compounded by the pandemic, which has changed the way we do HR. Companies must deal with a new breed of workers who are reluctant to be managed in the traditional way.

This uncertainty has had a massive impact on workforce policies and practices. For one, the Great Resignation has adversely affected many businesses. Many people now prefer to work at home to take advantage of the available technology.

In an environment like this, it is inevitable that management must adapt to the dictates of the dynamic new work environment.

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Inflation, from SI/1

"Policy continuity is the most important I think during this transition and we stand ready to have a dialogue with the transition team of the new administration to discuss the details," he said.

The NEDA chief said the Duterte administration has enacted many economic reforms that should be retained — not reversed, such as the tax reform, rice tariffication and economic liberalization laws.

In the immediate term, Mr. Chua said the next administration should immediately allow the resumption of face-to-face schooling to address the learning loss and impact on future productivity of Filipino children.

"Our main concern is the future productivity of our children, and NEDA estimated that closing schools for two years cost us P22 trillion over the lifetime of the students," he said.

Schools have been shuttered since the start of the pandemic in March 2020, although limited face-to-face pilot classes have been allowed in some areas with low number of coronavirus disease 2019 (COVID-19) infections.

The NEDA estimated that every week of school closure costs the economy P12 billion pesos.

TAX REFORM

At the same time, Mr. Chua said the next administration should seriously pay attention to the next set of tax reforms in order to fund the infrastructure program, including "raising our tax revenues if needed to fund important investment in infra and capital development."

He is still hoping the outgoing Congress will pass key measures such as the Livestock Development and Competitiveness Bill, and two crucial tax reform bills, Package 3 on Property Valuation and Package 4 on Passive Income.

"I hope they can be pursued with haste," he said.

Mr. Chua also identified four medium-term priorities for the next government — building smart infrastructure, pursuing innovation, addressing climate change and improving regional equity.

The NEDA chief urged Mr. Marcos to share his economic agenda and plans to alleviate any concerns raised by investors and economists.

Several economists have expressed apprehensions over the lack of details of the presumptive president's economic policies and plans.

Mr. Marcos on Wednesday evening said he will choose economic managers that will help drive the Philippine economy's recovery from the pandemic.

"I am also guided by the critical areas that we talked about during the campaign. So that's what we are prioritizing. Of course, it's the economy, prices, it's the price of energy, lack of jobs, education, infrastructure," he was quoted as saying by Bloomberg. — **Tobias Jared Tomas**

Rate hike, from SI/1

The central bank expects inflation to hit 4.3% this year. If realized, this would mark the second straight year of beyond target inflation after the 4.5% in 2021.

ING Bank N.V. Manila Senior Economist Nicholas Antonio T. Mapa said the latest economic data comes at a time when the central bank is also facing concerns over rising prices with inflation already beyond target.

"BSP Governor Diokno has been keeping rates unchanged to help support the economic recovery. But with GDP now back to pre-COVID-19 levels and with inflation accelerating, we fully expect BSP to hike policy rates at the May 19 meeting next week," Mr. Mapa said in a note.

Amid improving growth, economic managers still have to face one of the fastest inflation rates in the Asia-Pacific

region, said Sonia Zhu, an analyst at Moody's Analytics.

"A June rate hike is highly likely as broad-based growth is taking hold. However, with BSP under increasing pressure to arrest rising inflation pressures, we would not be surprised by a rate hike in May," Ms. Zhu said in a note.

As the Philippines grapples with rising inflation, Fitch Ratings said it ex-

pects the BSP to start increasing interest rates in the second half of the year.

The BSP has maintained interest rates at a record low since November 2020 to support the Philippine economy's recovery from the pandemic.

A rate hike would be the first since 2018, when the central bank increased rates by 175 bps to curb inflation. — **Luz Wendy T. Noble**

Investment, from SI/1

The ratings agency also warned a reversal in tax reforms could heighten the possibility of a ratings downgrade.

"If the new administration amends the Rice Tariffication Law, as it suggested during its campaign, this could curb rice imports and push up the cost of rice. Amending the law could also hurt tax revenue," Fitch said.

"The low tax take is a credit weakness for the Philippines, and when we affirmed the rating in February, we noted that a reversal of tax reforms that leads to sustained higher fiscal deficits could result in a rating downgrade," it said.

'NEGATIVE PERCEPTION'

Meanwhile, economists said foreign investor confidence in the Philippines may remain shaky due to high debt, elevated inflation and uncertainty arising from Mr. Marcos' lack of clear economic policies.

"It is unfortunate that because of the Martial Law years and the unresolved ill-gotten wealth issues, Mr. Marcos Jr. may bear the heavy burden of negative investor perception, specifically among the foreign investor community," UnionBank of the Philippines, Inc. Chief Economist Ruben Carlo O. Asuncion said in an e-mail.

Leonardo A. Lanzona, an economics professor at the Ateneo de Manila University, said in a Viber message he "would not be surprised if more investment firms drop the country in their investment lists."

"Given the budget constraints we face and the complete silence in all these issues, the efficient



PHILIPPINE STAR/KRIZJOHN ROSALES
FERDINAND "BONGBONG" R. MARCOS, JR. is seen during a rally in General Santos City, March 27.

allocation of these public goods is unlikely to be accomplished, and the administration will likely repeat the past mistakes. Even the indicated continuity of the Duterte programs is not clear," Mr. Lanzona said.

Meanwhile, a spokesperson for JPMorgan claimed the media "mistakenly reported" it dropped the Philippines to the bottom of its investment list due to the election results.

"Our views on the Philippines are driven by long-term global and local macroeconomic fundamentals, and not by election results or outcomes in general," Patricia Anne Javier-Gutierrez, JPMorgan Philippines head of communications, was quoted as saying in a statement released by Mr. Marcos' camp.

"As stated in our May 8 Philippine Strategy report, we think the Philippines faces a challenging macroeconomic outlook post 2022 regardless of the outcome of the May 2022 presidential elections," she said. — **Luz Wendy T. Noble and Tobias Jared Tomas**

MPIC Hailed Again as a Top ESG Performer in the Asia-Pacific Region



Makati, Philippines, 10 May 2022 – Metro Pacific Investments Corporation (MPIC), the country's leading infrastructure investment company in the Philippines, is once again a leading multi-sector holding company in the Asia-Pacific region after receiving an Environmental, Social and Governance (ESG) Risk Rating score of 11.0 from Sustainalytics, in March 2022. This score places MPIC in the "Low Risk" category of experiencing material financial impacts from ESG factors. The score positions MPIC in the top three percent of companies in Sustainalytics' Diversified Financials Industry. MPIC has also been recognized by Sustainalytics as an ESG Industry Top Rated company as well as an ESG Top-Rated Regional company in 2022.

Sustainalytics is a global leader in ESG research, ratings, and data. With coverage on 14,000 companies globally, Sustainalytics' ESG Risk Ratings are designed to help investors identify and understand financially material ESG risks and how they might affect the long-term performance for investments.

"Sustainability is deeply embedded in our key businesses and investment strategies, allowing us to do good while doing well," said Chaye Cabal-Revilla, MPIC Chief Finance, Risk and Sustainability Officer. "We are proud to be recognized as a top ESG performer, and will continue to become a catalyst for sustainability in the country while providing essential services

to improve lives and livelihoods of the Filipinos," she added.

MPIC was assessed by Sustainalytics on its exposure to industry-specific material ESG risks and how it is managing those risks. Sustainalytics multi-dimensional way of measuring ESG risk combines the concepts of management and exposure to arrive at an assessment of an ESG Risk Rating that is comparable across all industries.

"Our Board and senior management are relentless in our pursuit to drive MPIC towards sustainable growth. We are committed to continuously foster organization-wide accountability for sustainability," said Manuel V. Pangilinan, MPIC Chairman, President and Chief Executive Officer.

Recently, MPIC released its first Integrated Report (IR) to better showcase to its stakeholders how the financial and non-financial factors drive the company's growth and performance. It also contains disclosures on the company's climate-related risks and opportunities aligned with the Taskforce on Climate-related Financial Disclosures Framework. The IR provides a clearer view of how MPIC demonstrates sustainability leadership, creates value in the long-term, and addresses stakeholder needs.

MPIC is committed to helping achieve the 2030 Agenda for Sustainable Development by managing its impacts, improving its performance, and tracking its progress against the 17 United Nations Sustainable Development Goals.