

# SC backs CA ruling on PLDT worker regularization

THE Supreme Court (SC) upheld a decision of the Court of Appeals (CA), which had found that the Labor department acted improperly in ordering the regularization of PLDT Inc. support staff.

In a 38-page decision made public on Thursday, the high court backed the CA finding that PLDT employees involved in installation, repair, and maintenance services are eligible for regular status, though it drew the line at regularizing contractual workers performing janitorial, clerical, information technology, back-office support, call center, sales, and other such services.

Former Labor Secretary Silvestre H. Bello III had ordered PLDT to grant regular status to 7,344 workers, but the CA found that Mr. Bello had examined only a limited number of workers' cases in coming to his decision, and said his review process failed to evaluate the available evidence properly.

The SC affirmed the CA finding that Mr. Bello had committed grave abuse of discretion in issuing his resolutions.

"The approach employed by the DoLE was highly speculative and failed to meet the sub-

stantial evidence requirement. The Court expresses apprehension about this approach considering the result of the interviews of less than 1,000 employees, were used as basis to regularize 6,000 other employees," according to the decision, written by Associate Justice Rodil V. Zalameda.

"This conjunctural method is indeed whimsical and arbitrary clearly indicating that the conclusions reached were tainted by grave abuse of discretion," it added.

The SC held that labor contracting is not illegal per se, as management enjoys some leeway in deciding which functions can be performed by regular workers.

"Article 106 of the Labor Code expressly allows an employer to engage in legitimate labor contracting, which the DoLE implements through DO 18-A and DO 174-2017. An employer is not necessarily engaged in labor-only contracting whenever it farms out specific jobs, works, or services. We must distinguish between legitimate labor contracting and labor-only contracting," according to the decision. — **Chloe Mari A. Hufana**

## Swiss vote decisively in favor of '13<sup>th</sup> month' pension increase

ZURICH — Switzerland voted decisively to increase pension payments for the elderly in a referendum, as concern over living costs and support for a stronger social safety net trumped questions about how to afford it.

Provisional official results published by the government showed over 58% of voters backed the extra pension, a 13<sup>th</sup> monthly payment per year, with less than 42% against, a more emphatic victory than final polls had suggested.

The measure, which was promoted by the Swiss Trade Union Federation and left-of-center parties, also needed the backing of a majority of Switzerland's 26 cantons to pass. Most supported it, with opposition strongest in lower-tax cantons.

"This step is really a huge milestone from a union perspective," Lukas Golder of polling firm gfs.bern told SRF.

The government, business lobbies and parliament, which currently leans to the right, had rejected the proposal as financially unsound.

Swiss voters have in the past been cautious about backing measures viewed as risky for business.

The pension vote contrasts with referenda in recent decades in which Switzerland clearly rejected proposals that would have shortened the working week and given people more holidays.

Concern about the cost of living is widespread in the wealthy country. Zurich, Switzerland's biggest conurbation, tied with Singapore as the world's most expensive city in a study published in November by the Economist Intelligence Unit.

Mery, a 65-year-old Zurich voter, said increased pension payments made sense. "I'm retired now and so obviously I would like a bit more," she said, declining to give her full name. "It should allow me to give a little something to my grandchildren."

It is not clear how the pension boost, which should take effect from 2026, will be funded. Opponents say it could spark tax hikes or spending cuts, and weigh on younger Swiss. — **Reuters**

## Cancer-causing chemical found in Clinique, Clearasil and acne treatments — US lab Valisure

HIGH levels of cancer-causing chemical benzene were detected in some acne treatments from brands including Estee Lauder's Clinique, Target's Up & Up and Reckitt Benckiser-owned Clearasil, said independent US laboratory Valisure.

Valisure has also filed a petition with the US Food and Drug Administration (FDA), calling on the regulator to recall the products, conduct an investigation and revise industry guidance, the New Haven, Connecticut-based lab said on Wednesday.

Estee Lauder shares fell 2%. Benzene was also detected in Proactiv, PanOxyl, Walgreens' acne soap bar and Walmart's Equate Beauty acne cream among others, according to Valisure.

Benzene could form at "unacceptably high levels" in both prescription and over-the-counter benzoyl peroxide acne treatment products, Valisure said.

Reckitt said in a statement the findings "reflect unrealistic scenarios rather than real-world conditions," adding all Clearasil products were safe "when used and stored as directed on their labels."

Estee Lauder said Clinique uses benzoyl peroxide in one product, which "is safe for use as intended."

Target and Walmart did not respond to Reuters' requests for comment. The FDA has not yet responded to Valisure's petition.

The carcinogen has already been found in several consumer products, including sunscreens, hand sanitizers and dry shampoo, leading to recalls of products made by companies including Procter & Gamble and Johnson & Johnson.

But the detection of benzene in the acne treatment products was "substantially different" from the other cases, Valisure said.

"The benzene we found in sunscreens and other consumer products were impurities that came from contaminated ingredients; however, the benzene in benzoyl peroxide products is coming from the benzoyl peroxide itself," said Valisure Co-Founder and President David Light.

Valisure's tests showed some products could form more than 800 times the conditionally restricted FDA concentration limit for benzene. — **Reuters**

## China's Jan.-Feb. growth in exports, imports exceeds forecasts as global demand returns

BEIJING — China's export and import growth in the January-February period beat forecasts, suggesting global trade is turning a corner in an encouraging signal for policymakers as they try to shore up a stuttering economic recovery.

China's improved export data joins those of South Korea and Germany, and Taiwan, who all saw their shipments top expectations over the first two months of the year, with the Asian economies benefiting from a surge in demand for semiconductors.

Exports from the world's second-biggest economy in the two months were 7.1% higher than a year before, customs data showed on Thursday, beating a Reuters poll that expected an increase of 1.9%. Imports were up 3.5%, compared with a poll forecast for growth of 1.5%.

"The better-than-forecast data echoes a recovery in global trade driven by the electronics sector, but also benefits from a low base effect, as export growth in January-February 2023 was -6.8%," said Xu Tianchen, senior economist at the Economist Intelligence Unit.

The customs agency publishes combined January and February trade data to smooth out distortions caused by the shifting timing of the Lunar New Year, which this year fell in February.

Chinese Premier Li Qiang on Tuesday announced a 2024 economic growth target similar to last year of around 5% and promised to transform the country's development model, which is heavily reliant on exporting finished goods and industrial overcapacity.

Policymakers have been grappling with sub-par growth over the past year amid a property crisis and as consumers hold off spending, foreign firms divest, manufacturers struggle for buyers, and local governments contend with huge debt burdens.

They will need to see a sustained rebound in exports to be convinced that the crucial growth engine will help bolster the economy.

In contrast to the trade data, for instance, manufacturing activity in China in February shrank for a fifth month, according to the government's purchasing managers' index released a week ago, while new export orders decreased for an 11<sup>th</sup> consecutive month.

"After accounting for changes in export prices and for seasonality, we estimate that export volumes rose significantly in January and February, hitting a fresh high," said Huang Zichun, China economist at Capital Economics, in a note.

"We doubt the sustainability of this strength, however, since exporters now have more

### OPINION

## HR as gatekeeper against overstaffing

**I was a job applicant for the post of human resources (HR) manager in a medium-sized company. After some pleasantries and harmless questions, the chief executive officer (CEO) asked: "What's the most important part of the recruitment process?" I blurted out an uncertain answer — "the interview portion." How would you answer that question? — Green Nomad.**

The best answer is to determine, first and foremost, if there are compelling reasons why a certain job vacancy must be filled. Vetting the request for personnel is an important part of the recruitment process. No doubt about it. The HR manager must be there to challenge every bid to hire additional workers.

This can be done via interventions like promoting from within, multi-skilling, intra- or inter-department transfer, and equipping people with additional skills, among others. Doing more with fewer workers is the key to labor productivity.

The HR manager must not be a yes-person agreeing to all requisitions for additional manpower after the CEO clears it. It should be the other way around. All requests to fill a vacancy or create a new post must pass through HR before it goes to the CEO for approval.

Understanding this is more critical than knowing the ins and outs of the recruitment process. The HR manager must serve as gatekeeper to counter the tendency of department heads to build their empires, under the impression that having more workers makes them valuable or even indispensable to the organization.

### RATIONALE

A job vacancy can only happen for two reasons. One, when an employee resigns, retires, dies or is dismissed. And two, when a new post is created or added as a result of expansion or restructuring resulting in the transfer of some employees to departments where they are best needed.

When a vacancy occurs due to one of these two events, the following questions must be asked by the HR manager: Why do we need a replacement? Can the tasks be distributed to the incumbents? If the job is not sensitive, can it be done by contractors? Can we hire temps to fill the gaps while we wait to stabilize your operations?

These are tricky questions. Many times, it can be a source of friction between HR and department heads. To avoid this, HR must formulate a clear-cut policy on how to proceed in hiring additional manpower. Of course, there are many alternatives to hiring regular workers

### IN THE WORKPLACE REY ELBO

**ELBONOMICS:** Promotion from within is one of the best approaches to motivate employees.

or even temps. They include student-trainees who can be assigned to work on boring, but important tasks like encoding. You can even challenge these students to think of a better way of doing things.

This is also beneficial to those students who must perform at least 300 to 400 hours as on-the-job trainees. What's important when hiring student-trainees is to pay them a reasonable allowance for their transport and meal expenses.

Another option is an apprenticeship program. Beneficiaries must complete at least three months of training in highly technical, vocational jobs. And they must be paid no less than 75% of the applicable minimum wage.

### DRAWBACKS

Many HR managers and other managers don't realize the disadvantages of hiring people from outside the company. In fact, they may simply ignore the risks in the hope that any problems can be cured in due time. On top of my list of such disadvantages are the following:

**One, it's costly to hire people from outside.** The expenses include job ads if you want your announcement to reach as many people as possible. Other costs include onboarding and training programs.

**Two, outsiders may not fit in.** Many of them may take some time to acclimatize to the culture and values, the better to achieve teamwork in the workplace. In some cases, this means staying beyond the work hours (read: work without pay), as practiced by some Japanese companies.

**Three, the risks of the outsider's failure.** Many times, the new worker can turn out to be less effective than what was promised in the curriculum vitae and job interviews. This happens when your interviews are unproductive.

**Last, incumbents may sabotage the work of outsiders.** Demoralized employees who do not get promoted may refuse to cooperate with the new workers.

I benefited from internal promotions during my corporate years. This explains my bias against external candidates. If there's no choice, the only recourse is to weigh the advantages and disadvantages of hiring external candidates. At times, hiring from outside might be unavoidable.

Bring REY ELBO's leadership program called "Superior Supervision Subordinate" to your management team. Contact him on Facebook, Linked, X (Twitter) or e-mail [elbonomics@gmail.com](mailto:elbonomics@gmail.com) or via <https://reyelbo.com>



## US government urges allies to tighten China's access to chip technology

THE US GOVERNMENT is urging the Netherlands, Germany, South Korea and Japan to further tighten curbs on China's access to semiconductor technology, Bloomberg News reported on Wednesday.

The US wants Japanese companies to limit exports to China of specialized chemicals

required for chipmaking, including photoresist, the report said citing people familiar with the matter.

Washington is also pressing the Netherlands to stop semiconductor equipment maker ASML from servicing and repairing chipmaking equipment for Chinese clients bought before

limits on sales of those devices were put in place this year, a source familiar with the matter told Reuters, confirming part of the Bloomberg report.

Tokyo and The Hague want to assess the impact of their current curbs before considering tougher actions, the report said, adding that the US Commerce

Department officials raised the issue in Tokyo during a meeting on export controls last month.

The Dutch foreign ministry declined to comment on the report, while the US Commerce Department did not respond to a request for comment.

An official at Japan's industry ministry said the ministry rou-

tinely discusses export controls with relevant countries.

ASML could not be immediately reached for comment.

American officials had earlier expressed particular concerns about China's ability to employ advanced chips, and the powerful processors they enable, for its fast-growing military. — **Reuters**

