BPO sector to hire more employees—survey

by MA. ELISA P. OSORIO
Philstar.com

MORE employees will be hired by the business process outsourcing (BPO) industry despite the slowdown in the global economy, based on a survey conducted by the Business Process Association of the Philippines.

The survey showed that 49 percent of the companies said they will be increasing their work force by 11 percent to 200 percent while 51 percent said they will expand the number of employees by at least 10 percent.

On the other hand, a mere six percent said they will be downsizing the size of their workforce for this year.

BPAP CEO Oscar Sañez explained that the results suggest that whatever impact the global financial crisis is having on the industry, it doesn't seem to affect their expansion plans.

"It's encouraging that although the industry has been growing rapidly for several years, almost 40 percent of the respondents indicated that their firms will still grow between 16 percent and 200 percent this year," he said.

Meanwhile, 83 percent of the respondents said the global economic crisis has had at least some impact on their firms

Introducing new services was the most prevalent response to the global financial crisis, with almost 60 percent of respondents indicating that their firms have expanded their service offerings.

Only two percent of respondents indicated that they have reduced the number of services they offer clients while more respondents or 33 percent said they are accelerating their expansion than the 26 percent who said they are postponing expansion.

Recent developments in the industry support the results of the survey. StarTek, a mid-size value-added BPO announced that it is ramping up its Makati facility to full capacity to meet expanding demand for complex services.

Convergys opened three new call centers in Cebu, Santa Rosa, and Quezon City in April which will provide almost 3,000 new jobs and increase the company's headcount to 16,000 in the Philippines.

Miguel Garcia, CEO of industry supplier DTSI and a member of the BPAP board, forecasts that the Philippine BPO industry will grow overall by about 20 percent this year.

The survey did provide some signs of concern. It said that more respondents or 36 percent, indicated that their firms are decreasing their capital investments rather than increase their capital spending.

The impact of the crisis is being felt primarily in demand according to 66 percent of respondents, but the large number of respondents whose firms have introduced new services suggests that an interesting shift in the kind of services desired by clients is taking place.

The suggestion that a shift in the kinds of services provided by the industry is supported by the large number of respondents that say their firms are providing high or very high value-added services, according to Frank Holz, CEO of Outsource2Philippines (O2P).

"The fact that 69 percent of respondents said their firms are providing high and very high value-added services is actually staggering," Holz said. This means that the industry is providing much more complex services overall than it did in the early years of its development."

The survey was conducted online by BPA/P and O2P. It was in the field from March 31 to April 29. Invitations were sent to 571 BPO executives and 160 completed the survey, providing a 28 percent response rate.

Supreme Court junks petitions vs constituent assembly

by EDA PANAY
Philstar.com

THE Supreme Court (SC) junked last June 16 the petitions of a lawyer and a businessman for the voiding of a House resolution calling for the convening of a constituent assembly (con-ass) to propose amendments to the Constitution without the Senate.

In an eight-page resolution, Chief Justice Reynato Puno and 10 other SC justices ruled that the taxpayer suits of lawyer Oliver Lozano and Louis Biraogo against House Resolution 1109 were premature and that the petitioners also did not have legal standing to contest the approval of HR 1109. Lozano immediately filed an appeal.

At Malacañang, Secretary to the Cabinet Silvestre Bello III said the decision was expected.

"I thought it would come earlier because I think the petitioner knows there is no justiciable issue yet, and I don't even know if he is the right party (to file the petition)," Bello said.

Speaker Prospero Nograles, for his part, said he would have to consult with other House leaders on what to do next. He said such consultation may take place after President Arroyo's State of the Nation Address (SONA) on July 27.

"Con-ass may or may not happen at all depending on our meeting," he said.

He also said the SC decision proved that "all the noise against con-ass was premature."

In its ruling, the SC said there is no justiciable issue yet since the House only resolved to "convene at a future time for purpose of proposing amendments or revisions to the Constitution" and that "no actual convention has yet transpired and no rules of procedure have yet been adopted."

Legal observers have said that the SC could find justiciable cause only if the House actually pushes through with con-ass and then approves constitutional changes by a three-fourths vote of the chamber. A voice vote will not suffice, as in the case of HR1109; congressmen's signatures are needed.

"House Resolution No. 1109 involves a quintessential example of an uncertain contingent future event that may not occur as anticipated, or indeed may not occur at all," the SC resolution said.

"The House has not yet performed a positive act that would warrant an intervention from this Court," the SC said.

On the petitioners' lack of legal standing to pursue the case, the SC said they failed to prove that they suffered some actual or threatened injury as a result of the passage of the House resolution.

The High Court also explained that only in cases where allocation or disbursement of public funds is involved can a taxpayer's suit be considered.

"While the Court has taken an increasingly liberal approach to the rule on locus standi (legal standing), evolving from the stringent requirement of 'personal injury' to the broader 'transcendental importance' doctrine, such liberty is not to be abused," the SC said.

"It is not an open invitation for the ignorant and ignoble to file petitions that prove nothing but their cerebral deficit," the SC ruling read.

Puno penned the ruling with Associate Justices Leonardo Quisumbing, Consuelo Ynares-Santiago, Antonio Carpio, Renato Corona, Presbitero Velasco Jr., Antonio Eduardo Nachura, Teresita Leonardo-de Castro, Arturo Brion, Diosdado Peralta and Lucas Bersamin concurring.

Associate Justice Minito Chico-Nazario abstained while Associate Justice Conchita Carpio-Morales was on official leave.

There are presently two vacant posts in the SC.

The SC, said its spokesman Jose Midas Marquez, might rule again on con-ass "depending on supervening events" and "future actions."

In a four-page petition he co-filed with his lawyer-daughter Evangeline last June 3, Lozano alleged that the House rushed the passage of HR 1109 with no other purpose than to extend the term of President Arroyo beyond 2010.

'Government to keep Imelda jewels'

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PCGG chairman Camilo Sabio said there is nothing irregular in the opinion made by Gonzalez.

Sabio said that Gonzalez had acted within his duties as head of the Justice Department, which has jurisdiction over the PCGG, in referring the matter to them.

"What he basically told us to do was to act immediately on the letter of the lawyers of Mrs. Marcos," Sabio said. "He did what's right."

Sabio said the letter did not carry an outright order for the PCGG to hand over the jewelry collection to Mrs. Marcos.

"He (Gonzalez) said that the request (of the Marcos lawyers) should be granted if there is no legal impediment," he said.

Former Marcos lawyer Oliver Lozano, for his part, claimed the freeze order on the Marcos jewelry collection has already expired.

"The PCGG has no longer legal authority to freeze Marcos' wealth as provided by the Constitution," Lozano said.

No deal

Bello, however, said there is no conflict between the positions issued by Gonzalez and Devanadera.

"If you look at his (Gonzalez's) recommendation, again it is very clear that his recommendation is subject to a condition and that the condition is that there is no legal impediment," Bello pointed out.

"So the position of Secretary Gonzalez was very clear and it was made clearer by the position of the new Secretary of Justice. So they complement each other," he added.

Bello stressed the importance of the custody over the jewelry collection.

With Devanadera saying that there is a legal impediment, Bello said that it would be safe to conclude that "these jewelry will remain with the government or at least with the state."

"So don't worry, it is still with us," Bello said.

Bello also belied allegations of a deal struck with Malacañang that led to the opinion issued by Gonzalez.

He said there is no logic to the allegations since Devanadera had already negated the previous opinion issued by Gonzalez.

"I really don't see any logic of connecting Malacañang with that offer because Secretary Agnes Devanadera came out with a very clear position that it cannot be returned to the Marcoses because there is legal impediment. So this negates any shady deals between anybody," he said.

On the other hand, Senate President Juan Ponce Enrile said the courts should be allowed to decide on the issue.