The Philippines and Japan Faced with Two Distinct Situations with Temporary Workers

The Philippines

House Bill No. 6908 Security of Tenure Bill, vetoed by President Rodrigo Duterte


On 26 July 2019, the President of the Philippines, Mr. Rodrigo Duterte vetoed the Security of Tenure Bill (Senate Bill No. 1826 / House Bill No. 6908) through his letter to the Speaker of the House of Representatives.

In recent years, the prevalence of contractualization in the Philippines has been a growing concern. It is estimated that millions of workers in the country are employed, covered by contractualization.

However, under such contractualization arrangements, employees are not provided with social security (SSS), healthcare health-care coverage (PhilHealth), and housing loans (PAGIBIG).

In vetoing this bill, the aim is to prohibit contractualization and all its forms, including fixed-term employment and to strengthen the Security of Tenure (SOT), while ending abusive practices of contractualization.

The move also intends to totally prohibit contracting, sub-contracting, manpower agency hiring, outsourcing, including those undertaken by purported “self-styled” service cooperatives engaged in manpower supply.

The bigger impact to the country would be the eventual regularization of workers, strengthening of employees’ security of tenure, the right to organize and collectively bargain with employers, and to provide fair share of compensation and rewards to employees.
Japan

Japan set to implement “fair rule pay” for Temporary workers from April 2020 - New guidelines require companies to raise pay by 30% within three years

Starting April 2020, the Japanese Government will implement “equal pay for equal work” regulations in its push for fairer pay for temporary workers.

Under this work reform law (which was passed last year), employers will be banned from unequal treatment of regular and non-regular employees. However, the reform law does not clearly state how wages for temporary staff or workers dispatched by agencies will be assessed.

Guidelines call for pay for temps to rise by 16% after one year and 31.9% in the third year, compared with the worker’s starting wage. Temporary workers are limited to a three-year term.

These guidelines, compiled by The Ministry of Health, Labor and Welfare, employers are required to pay fair wages to temporary staff according to their skills. Under the assumption that the skills of employees will improve over time, the Ministry has also set wage standards according to how long the person is employed at the same workplace.

As an example:
A System Engineer whose basic wage is JPY1,427 per hour, will rise to JPY1,655 yen after one year, and to JPY1,882 yen by the third year.

*Actual wages determined based on job type, duties and location.

With the new regulation set to take effect in April 2020, the Ministry has since given notice of these new rules to labor bureaus across Japan. Failure to comply with the equal pay standards carries no sanctions, but companies found in violation will be put under “administrative guidance”.

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South East Asia:

Singapore – 22 August 2019
Distrii x EDB Business Workshop (Singapore Edition) 2019 - Presented by HSBC

An engaging session with lots of insightful trends shared by the Economic Development Board (EDB), a thought-proving panel discussion with EDB, TongDun and Distrii about a start-up’s first 100 days, to a captivating “in-conversation” style session on Employee Engagement with Michael Chen, our Founder & CEO.

Our key takeaway from the session:

• Singapore is a brilliantly connected hub with the right Government initiatives / resources in place for businesses to tap on if you’re keen to expand into Singapore and likewise, if you’re a Singapore-based business keen to regionalize beyond our shores.

• The first 100 days of a start-up’s journey may be filled with challenges but that also presents lots of exciting and rewarding opportunities! Perseverance is key, as is respecting diversity, embracing localization.

Our digital transformation starts with reaching out and connecting with our industry peers, sharing insights and common goal(s) with the HR and business community.
At BIPO, we believe in supporting the HR community, empowering HR professionals on their journey of transformation and celebrating their wins.

Paying it forward to the HR fraternity in Singapore, we partnered with the Singapore Human Resources Institute in “Honouring Human Capital, Celebrating Business Excellence” at the 14th edition of their signature Singapore HR Awards 2019.

In recognition of their contributions and the significant role they play in the age of Industry 4.0, HR professionals from close to 30 organizations were presented with awards at a gala dinner held on 27 August at Resorts World Sentosa.

BIPO extends its biggest and heartiest congrats to all the winners of The Singapore HR Awards 2019!

The team from the Philippines in action at the recent Philippine HR Congress and HR Tech Expo 2019 held on 22 and 23 August at SMX Convention Center, Mall of Asia, Pasay City.

Packed with insights and industry trends shared by keynote speakers, we had the opportunity to connect with the HR community! Inundated with queries, our booth drew crowds and lots of interest as we showcased our integrated, one-stop HRMS solution that’s helping to automate HR processes.

On August 13, 2019, BIPO played host to a delegation of distinguished guests comprising Mr. Liu Xie, Deputy Mayor of Jing’an District, Wang Guangrong, Director of the Jing’an District Human Resources and Social Security Bureau, Pan Hongyun, Chief of Industry Development, Li Jun, Director of Investment Promotion Office and many others.

Chen Shuihai, Founder & CEO of BIPO expressed his appreciation for the support BIPO has received from the government and the bureau since the company moved to its current premises in Jing’an District in 2016.

Over the years, BIPO has developed rapidly, and in 2018, embarked on an aggressive overseas expansion plan. Under the “One Belt, One Road” initiative, BIPO has successfully ventured into key markets such as Singapore, Hong Kong, Taiwan and Indonesia with more planned openings in the Asia Pacific region, including Japan, Australia, New Zealand, Vietnam, Thailand, Philippines and Malaysia.

The strength of BIPO’s overseas network and regional connections also ensured BIPO garnered a spot as “Jing’an District Global Service Provider – Special Plan of Human Resources Service”, a special recognition awarded to only 10 carefully selected companies in Shanghai.

Another key milestone marks the attainment of BIPO’s “Health Management Center” operation permit, demonstrating the company’s commitment to developing its flexible welfare and health management initiatives.

BIPO’s on-going efforts in Research and Development also saw the introduction of its one-stop service platform and BI (business intelligence) system, transitioning it to a full-fledged ERP system. In addition, the Shanghai team also successfully developed and launched “Workio”, a SaasS-based human resources management App. This rewarding project took two years materialize and cements BIPO’s leading position in the HR tech industry. Leveraging on its full suite of HRMS solutions and resourceful network, BIPO also plans to increase its multi-language platform as part of its expansion plans.

BIPO’s integrated, one-stop system and outsourcing services currently extends to nine countries and regions including China, Hong Kong, Taiwan, Singapore, Indonesia, Vietnam, Malaysia, the Philippines and Thailand, helping companies conform to local laws and regulations and adapt complex compensation calculation methods while enabling companies to scale-up and regionalize efficiently.
Taking the opportunity to share his vision of transforming BIPO into one of the strongest HRMS / Payroll vendors in the Asia Pacific region, Mr. Chen also highlighted BIPO’s future expansion plans, which will include key markets like Japan, South Korea, India, Cambodia and other key markets in 2020.

The highlight of the event was the affirmation by Deputy Mayor Liu Xie of BIPO’s forward-thinking approach in transforming the industry. He called on BIPO to play a key role in leading the global service programs in the human resources special plan, and to work closely with the various Government agencies and bureau offices of Jing’an District People’s Government to support this.

Director Wang Guangrong also recognized the development of BIPO in the human resources industry in the past years. He also put forth ideas for its future growth plans and suggestions that BIPO takes the lead by focusing on innovation and technology to transform the industry.

Likening BIPO as a “travelling adventurer” and a model of Chinese service excellence, we are proud to introduce the uniqueness of Chinese services to the world.

17 August 2019
Cementing ties, from Shanghai to Singapore, to mark Singapore’s 54th National Day

On August 17th, 2019, BIPO was invited to the Singapore National Day Dinner 2019 organized by SingCham Shanghai, held at the Shangri-La Hotel in Pudong.

Themed “Our Singapore, Our Shanghai”, the event commemorated Singapore’s 54th year of independence and the Singapore’s Bicentennial. It also celebrated the Singapore identity and spirited, showcasing the special bond with Shanghai and wishes for a long-lasting friendship between the two.

Attended by close to 800 guests comprising leading brands, talents and innovations from Singapore, the dinner was graced by Mr. Loh Tuck Wai, the Consul-General of the Singapore Consulate in Shanghai.

Guests were treated to a host of presentations and demonstrations by leading corporate companies before the start of the dinner. BIPO’s integrated HRMS platform also made a strong impression on guests who were pleasantly surprised to learn of its APAC Headquarters status in Singapore.

With an exciting line-up of performances, catchy national day tunes, the familiar taste of home and a heart-warming celebration of everything Singaporean, the welcome speech delivered by Mr. Melvyn Goh (President, SingCham) opening speech by Mr. Loh Tuck Wai made the event all-the-more meaningful and memorable.

As the relationship between Singapore and Shanghai continues to flourish and prosper, BIPO hopes to continue providing quality HR services to Singaporean companies, contributing to the development of both countries.
In 2018, the People’s Government of Shanghai issued new policies on Social Security Disability Insurance (SSDI) to reduce the burden of enterprises while creating jobs for the disabled. At the same time, the social insurance benchmark has been adjusted by the government three times this year.

With these in mind, HR professionals are often faced with questions about this segment of the community, from how enterprises create appropriate employment for the disabled, to staying updated on policies to compute the right solution for reductions in SSDI. Cost planning measures and understanding the financial implications are frequent considerations faced by HR professionals.

On August 21st, 2019, BIPO Open Class “Human Resources Cost Planning Workshop v2.0” was held in the MIXPACE-Crystal. Mr. Chen (Principal, Disabled Persons’ Federation) and Mr. Zhou Kaigang (Senior Consultant, BIPO), were invited to share an in-depth interpretation of the salary management methods related to the reform of the SSDI policy and the change of the Shanghai Social Insurance benchmark.

Mr Chen’s session focused on “the elements of the disabled”, the overall situation of jobs created for the disabled, along with explanations of the many policy regulations. Key topics included Shanghai’s latest SSDI policy proposed solutions and considerations around the SSDI amount, recruitment of the disabled. The topics were specially curated to help participants understand the reasons behind SSDI’s policies, helping HR professionals apply the relevant theories.

Humorous and thought-provoking, Mr. Zhou used several key figures and salary calculation formulas with participants, ensuring better understanding and analysis of problems often faced in the course of manpower planning and salary management.

Stay tuned for more updates on BIPO’s Open Class “Human Resources Cost Planning Workshop” which will see more topics and countries being included.

With a theme that focused on reshaping the Human Resources environment, BIPO shared insights on its advanced products and concepts during the Summit and discussed strategic HR developments with the business community, corporate and business leaders.

The role of HR professionals will need to be more adaptive and agile, given the challenges and opportunities that technology, human capital, the new economy and eCommerce play in this rapidly changing business environment.
BIPO’s self-developed HRMS platform and Workio APP provide the perfect business tool for enterprises to adapt and adopt HR digital transformation more quickly. Our integrated APP provides more innovative and intelligent solutions for the industry.

BIPO’s experienced team was also on hand to provide comprehensive systems-operated demonstrations to participants who were thoroughly impressed with the APP. Through in-depth communication, sharing of industry insights and trends, participants walked away with a better understanding of BIPO’s role in HR Industry.

The scope and complexity of human resources in today’s business environment is increasingly challenging given the impact of technological change that touches on many aspects of HR, from talent acquisition and retention to human capital management. BIPO will continue its focus on Research and Development to bring about more accurate solutions and services to achieve sustainable development for the HR community.

About Us

BIPO is a leading one-stop human resources provider in Asia Pacific, focused on providing organisations with innovative ways to manage complex end-to-end HR processes. Through our cloud and mobile-based Human Resources Management system as well as industry-leading solutions such as Payroll Outsourcing, Attendance Automation, Business Intelligence, HR Consulting, Recruitment & Business Process Outsourcing and Flexible Employee Management, we help companies transform their HR operations to and beyond their expectations, while achieving business goals related to cost and profitability.

Founded in 2004, our Asia Pacific headquarters is in Singapore and R&D Centres in Singapore, Shanghai, Indonesia and Malaysia. We have offices in Australia, China Hong Kong, China Taiwan, India, Japan, Mainland China, Malaysia, Philippines, Thailand and Vietnam with business links in over 10 countries and regions.

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