

Philippines Country Report

People Management Association of the Philippines (PMAP)

Association Programs and Activities

1. Currently preparing a five-year Strategic Plan (consultation is ongoing and results will be presented in the PMAP Annual Conference in October 2011).
2. The 48th PMAP Annual Conference will be held on October 12-14, 2011 at The Atrium, Limketkai Center, Cagayan de Oro City, Philippines. The theme is "The HR Mandate in the New World."
3. There is an ongoing review of PMAP's Constitution and By-Laws.
4. Two (2) new industry groups were brought into the association this year – Placement Practitioners and Hotel and Restaurant.
5. After 29 years, PMAP bestowed the rank of Diplomate in People Management (DPM) to 22 fellows (Fellow in People Management (FPM)).

Economic Front

1. Philippine economy forecast to grow 5.2% this year. The Philippine domestic economy can grow at a faster pace in the second semester on the back of accelerating state spending, thereby hitting a full year growth of 5.2 percent.
2. U.S. companies bullish on Philippine economy. American businesses operating in the country are optimistic that the Philippine economy will continue to grow. Amid this bullishness, however, 85 percent expected living costs to increase and 75 percent believed

housing costs would go up. Most of the respondents cited corruption and inadequate infrastructure as issues that the government would have to address to create a better business environment.

3. National Economic and Development Authority (NEDA) expects inflation to stay within target range. Inflation went down to 4.3 percent last month from 4.6 percent in July this year, based on 2000 prices. As a result, inflation from January to August 2011 averaged 4.3 percent.
4. Monetary Board holds interest rates steady. The Central Bank of the Philippines' Monetary Board kept interest rates at current levels, seeing no need to further tighten liquidity given the slower-than-expected growth of the economy in the first semester. The overnight borrowing and lending rates, which influence commercial interest rates, remain at 4.5 and 6.5 percent, respectively.
5. Peso to U.S. Dollar Rate at P 42.815 to \$ 1.00.

Political Front

1. Another plunder case filed against former Philippine President Gloria Macapagal-Arroyo. A 6th plunder case has been filed against Arroyo, this time for the scuttled \$329-million NBN-ZTE deal. It was alleged that Arroyo personally pocketed some P 1.4 billion in kickbacks to approve the 2007 deal.
2. Former Spokesperson to Head Philippine National Police. The man who served as Philippine National Police spokesman, General Nicanor A. Bartolome, has been appointed by President Aquino as the new Head of the Philippine National Police.

Labor Front

1. Fifteenth (15th) Congress lists House Bill No. 303 entitled "An Act

Strengthening the Security of Tenure of Workers in the Private Sector” on top of its list of pending bills for approval. The bill protects the rights of labor-only contractors. PMAP’s position is that if the bill is passed, companies will not maintain the same number of people they currently have (regular + contingent). From consultations, it appears that member companies will increase the number of regular workers but in order to offset the additional costs associated with regularization, they will decrease the total headcount. PMAP has urged the legislators to rethink their position on the house bill especially in the light of what is feared to be the bill’s unintended consequences. Instead, we should think of ways to promote a better life for our employees, within the context of today’s global and local business realities.