Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

Thirteenth Congress
First Regular Session

HOUSE BILL NO. 1064



Introduced by Anakpawis Representatives Crispin B. Beltran, Rafael V. Mariano; Bayan Muna Representatives Satur C. Ocampo, Teodoro A. Casiño, Joel G. Virador; Gabriela Women's Party Rep. Liza Largoza-Maza

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EXPLANATORY NOTE

Three years and a presidential election later, government employees are still waiting for a much-needed and much-deserved salary increase.

Government employees are forced to make do with meager salaries as they contend with escalating prices and the plummeting value of the peso.

In the last six months, oil prices have increased six times. The most recent P1.00 oil price hike was implemented at the same time the oil companies increased the price of liquefied petroleum gas (LPG) by P1.00. These increases, meanwhile, had the immediate effect of dragging prices of basic commodities and the rates of social services up. For all the attempts of the Department of Trade and Industry (DTI) to pacify the public into believing that prices of basic goods are essentially stable and unaffected by increase in oil prices, market-goers from the ranks of the working people including rank and file government employees know better.

Government employees and their organizations under the banner of the Confederation for the Unity, Recognition and Advancement of Government Employees (COURAGE) have been calling for a legislated and across-the-board salary increase of P3,000 since 1999.

Then, the basic pay was pegged at P4,400; while the cost of living was at P13, 674.60/month (P455.42/day) for a family with six members. Now, three years later, the average pay of P8,709 for government employees is still less than half of what employees need to meet the costs of living.

Since 1999, the purchasing power or real value of private sector employees' salaries have continued to depreciate. The token 10% increase the Estrada administration gave in did not make much of a dent. The Macapagal-Arroyo's measly offering of 5% was even more useless because its implementation was long delayed. So delayed that it will only take effect July of this year. In the meantime, between 1999 and 2004, employees' wages have lost 43% of its real value.

In the meantime, the administration in the weeks leading up to the May 10, 2003 elections, offered to certify as urgent a legislative measure calling for a 10 percent increase in salaries. The strong and organized ranks of progressive employees immediately saw through the proposal, and declared it as insufficient in the face of their demand for a P3,000 salary hike.

The P52 billion that is the over-all amount needed to give all 1.4 million government employees a P3,000 salary hike is not even 20 percent of the amount the government automatically appropriates and allocates for foreign debt. COURAGE points out that that the government is not being truthful and

fair when it says that it does not have the resources to grant its employees the salary hike they demand.

Even the most cursory glance at the enacted national budget in 2004 will expose the lopsided priorities of the administration. Also, in contrast to the belt-tightening measures the government imposed on public service and on employees' salaries and benefits, the government continues to allocate millions for foreign debt servicing and the modernization of the Armed Forces of the Philippines (AFP).

Government employees cannot just accept the excuses of the national government that it is financially incapable of granting a P3,000 across-the-board salary hike. Government employees need and deserve a salary increase of no less than P3,000, and they do not agree with the allegations of the administration that a salary increase will result in a budget deficit and will cause greater inflation.

Instead of allotting the majority of funds for social services and salary increases and improvement of benefits, the administration through its various agencies supposedly tasked with protecting the economic welfare and security of government employees drastically cuts benefits and threatens mass-lay-offs. In the meantime, the salary increases are very selective - mostly given to the members of the Philippine National Police, the AFP, and the intelligence and security agencies.

Again, it should be reiterated that it is the responsibility of the state to address all the economic needs and provide secure employment and living wages and salaries to the working people. The severe and chronic unemployment crisis in the Philippines should never be used as a pretext for depressing the salaries of employees and violating their rights. Rather, it should compel the Arroyo government to rethink its basic development strategy and implement measures that are truly reflective of the aspirations of the working people and will provide them with what they require to live productively.

At the onset, the legislation and immediate implementation of a P3,000 across-the-board salary increase would be a necessary first step towards providing a measure of relief to 1.4 million public servants and members of the bureaucracy.

In view of the foregoing, approval of this bill is highly and earnestly sought.

Rep. Crispin B. Beltran
Anakpawis

Rep. Rafael V. Mariano
Anakpawis

Rep. Satur C. Ocampo
Bayan Muna

Rep. Teodoro A. Casiño
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Rep. Joel G. Virador
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Rep. Liza L. Maza
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AN ACT PROVIDING FOR A THREE THOUSAND PESOS (P3,000) ACROSS-THE-BOARD MONTHLY SALARY INCREASE IN THE WAGE AND SALARY RATES OF EMPLOYEES AND WORKERS IN THE PUBLIC SECTOR AND FOR OTHER PURPOSES

Section 1. This Act shall be known as an "An Act Providing for a Three thousand pesos (P3,000.00) Across-the-board Monthly Salary increase in the Wage and Salary rates of Employees and Workers in the Public Sector."

Section 2. It is hereby declared to be the policy of the State to help augment government personnel income in times of economic difficulties; to guarantee employee's right to a living wage; to promote social justice; to ensure prosperity and free people from poverty through policies that provide for a decent and humane standard of living and improved quality of life for all.

Section 3. In line with the declared policy under this Act, an across-the-board monthly salary increase of three thousand pesos (P3,000.00) shall be granted to all employees, whether permanent, temporary, emergency, contractual or casual of the National Government, its agencies and instrumentalities including the Local Government Units.

Section 4. The amount needed to implement this Act with respect to national government entities shall be charged to the appropriations set aside for the purpose in the 2005 General Appropriations Act and to the savings generated by the different departments, bureaus, offices, and agencies. Thereafter, such amounts as are needed shall be included in the annual General Appropriations Act.

For Local Government Units, the amount shall be charged against their respective funds.

For government corporations, the amount shall come from their respective corporate funds.

Section 5. The Department of Budget and Management shall prepare and issue the necessary guidelines to carry out the provisions of this Act.

Section 6. All laws, orders, issuances, rules and regulations or part thereof inconsistent with the provisions of this Act are hereby repealed or amended accordingly. If any provision or part of this Act, or the application thereof to any person or circumstance, was held invalid or unconstitutional, the remainder of this Act or the application of such provision or part thereof to other persons or circumstances, shall not be affected thereby.

Section 7. This Act shall take effect fifteen day (15) after its publication in the Official Gazette or in at least two (2) newspapers of general circulation.

Approved.