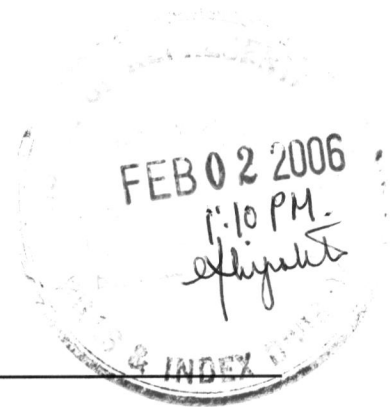


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

THIRTEENTH CONGRESS
Second Regular Session

HOUSE BILL NO. 5094



Introduced by REPRESENTATIVE TEODORO A. CASIÑO
Bayan Muna Partylist

EXPLANATORY NOTE

The bill pushing for an across the board salary increase for all government employees has been pending in the House of Representatives since the 12th Congress. Now in the 13th Congress, the bill was refiled as House Bill 1064 on July 1, 2004, with the expectation that it would at least be taken up by the committees concerned. But since the date when it was filed almost two years ago, it has never been taken up by any committee.

But a wage hike is not the only thing that we owe our government employees. In fact, we owe each government employee at least 10 years' worth of unpaid Cost of Living Allowances (COLA) from 1989 to 1999. This is because since the implementation of the Salary Standardization Law of 1989, all COLAs were stopped, even though the Implementing Rules and Regulations of this law were not published until 1999. According to rough estimates by the Department of Budget and Management, the amount now totals at least 153 Billion.

It is for this reason that Government workers filed cases against the DBM¹, calling for the payment of their unpaid COLAs. It is fortunate also, that on one of these cases², the Supreme Court decided en banc to favor the employees demand for back COLA. Subsequently, the payment for these back COLA should be given funding starting the fiscal year 2006, and the rest be funded in the succeeding years.

It is for this purpose that I am filing a supplemental bill for the initial funding of the payment of back COLA to start this year 2006. Let it be clear that this is not a wage increase. It is payment of a debt we owe our public sector workers.

In view of the foregoing, immediate approval thereof is sought.

Representative Teodoro A. Casiño
Bayan Muna Partylist

¹ e. g. G.R. No. 153266, Victoria Gutierrez et al vs. DBM, 3rd Division

² G.R. No. 160396, Philippine Ports Authority (PPA) employees vs. COA , September 6, 2005

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HOUSE BILL NO. **5094**

Introduced by REPRESENTATIVE TEODORO A. CASIÑO
Bayan Muna Partylist

AN ACT APPROPRIATING THE SUM OF TWENTY-FIVE BILLION PESOS (25,000,000,000) AS SUPPLEMENTAL APPROPRIATION IN THE 2006 BUDGET TO PARTIALLY FUND THE STAGGERED PAYMENT OF UNPAID COST OF LIVING ALLOWANCES FOR ALL ENTITLED NATIONAL GOVERNMENT EMPLOYEES COVERING THE PERIOD 1989-1999

Be it enacted by the Senate and the House of Representatives of the Philippines in Congress Assembled:

SECTION 1. Appropriations and use of the fund. The amount of TWENTY-FIVE BILLION (25,000,000,000) is hereby appropriated to cover the initial funding requirements for the payment of unpaid Cost of Living Allowance (COLA) of all entitled national government employees totaling at least ONE HUNDRED FIFTY-THREE BILLION (153,000,000,000) covering the period 1989-1999.

SECTION 2. Release of Funds. The amount herein appropriated shall be included in the General Appropriations Bill for 2006, while the rest of the total back COLA due is to be incorporated in the national government budgets of succeeding years. The amount shall be released by the Department of Budget and Management (DBM) to all Departments, Bureaus, Offices and Agencies, in accordance with budgeting laws, rules and regulations.

SECTION 3. Coverage. All National Government employees including public school teachers who were in service within the period of July 1, 1989 to 1999 are entitled to back payments of their COLA which were discontinued following the passage of Republic Act 6758 (the Salary Standardization Law) as computed and determined by the Departments, Bureaus, Offices and Agencies.

SECTION 4. Implementing Rules and Regulations. The DBM shall issue necessary rules and regulations to implement the payment of the Back COLA and amelioration allowances.

SECTION 5. Separability Clause. If for any reason, any part or provision of this Act is declared invalid, such declaration shall not affect the other provisions of this Act.

SECTION 6. Repealing Clause. All laws, decrees, orders, rules and regulations, issuances, or parts thereof, which are inconsistent with any of the provisions of this Act are hereby repealed, amended or modified accordingly.

SECTION 7. Effectivity. This Act shall take effect upon the implementation of the General appropriations Act of 2006.

Approved,