

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

FIFTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 3746

**INTRODUCED BY REP. RAFAEL V. MARIANO, REP. TEODORO A. CASINO,
REP. NERI JAVIER COLMENARES, REP. LUZVIMINDA A. ILAGAN, REP.
EMERENCIANA DE JESUS, REP. ANTONIO TINIO AND
REP. RAYMOND V. PALATINO**

EXPLANATORY NOTE

"The State affirms labor as a primary social economic force. It shall protect the rights of workers and promote their welfare (Sec. 18., Art. II, 1987 Philippine Constitution).

"The State shall afford full protection to labor, local and overseas, organized and unorganized, and promote full employment and equality of employment opportunities for all. It shall guarantee the rights of all workers to self-organization, collective bargaining and negotiations, and peaceful concerted activities, including the right to strike in accordance with law. They shall be entitled to security of tenure, humane conditions of work, and a living wage. They shall also participate in policy and decision-making processes affecting their rights and benefits as may be provided by law." (Paragraph 1 and 2, Sec. 3 Art. 18 1987 Philippine Constitution).

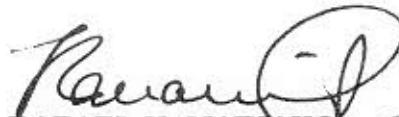
The 1987 Philippine Constitution recognizes and guarantees our workers' both private and public, the right to a living wage. This promise, however, remained elusive for the more than 1.4 million personnel of the government because the real value of the salaries have significantly fell due to inflation and other present economic realities.

The adage that a government employee's take home pay cannot take him home has become a living proof. Salaries received by public sector employees are way behind the government's conservative estimate of the cost of living a family needs in order to survive.

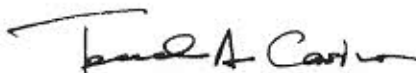
The passage of the Salary Standardization Law 3 has not been enough to substantially address the situation. An employee with the compensation of Salary Grade 1 Step 1 currently receives P6,861.00 per month, far from the government's estimated cost of living of P28,710 per month. Even if employees receive the full implementation of SSL 3 (the last tranche will be on 2012), the minimum pay shall still only be P9,000.00. The situation of employees in local government units is far worse as they receive lower amount because the SSL 3 continue to implement the policy of wage regionalization.

The current minimum pay reflects the dismal state of public sector workers. While executives and top officials of the government are enjoying various perks and privileges, oftentimes even unconscionable, the employees who are at the frontline of delivering services to the public, are living in abject poverty.

In pursuit of social justice, this bill seeks to address these inequalities by providing those in need a substantial salary increase, and in the process, bring employees closer to the State's assurance of a decent wage. Hence, the passage of this bill is earnestly sought.



RAFAEL V. MARIANO



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**AN ACT
PROVIDING FOR A P6,000 INCREASE IN THE MINIMUM PAY OF EMPLOYEES
AND WORKERS IN THE PUBLIC SECTOR NATIONWIDE
AND FOR OTHER PURPOSES**

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

Section 1. Title -- This Act shall be known as "*The P6,000 Increase in the
Minimum Pay Act of 2010.*"

Section 2. Declaration of Policy -- It is hereby declared to be the policy of
the State to alleviate the living conditions of the ordinary Filipino through policies
that provide for a decent and humane standard of living and improved quality of
life, particularly of the workers, both private and public; to ensure the right of
labor to just share in the fruits of production; to guarantee the workers' right to a
living wage; and to promote social justice through the adoption of measures
calculated to ensure the well-being and economic security of all the members of
the community.

Section 3. Scope -- The government as the employer of public sector
workers shall grant all employees in all National Government Agencies,
Government Owned and Controlled Corporations, Government Financial
Institutions, State Universities and Colleges, Local Government Units and other
instrumentalities of the government, a P6,000 increase in the Minimum Pay
(Salary Grade I).

Section 6. *Compliance to Collective Negotiations Agreement* -- No salary increase shall be credited as compliance with the increase prescribed herein unless expressly provided under a valid collective negotiations agreement

Section 7. *Non-diminution of existing allowances and benefits* -- Nothing in this Act shall be construed to reduce any existing allowances and benefits of any form under existing laws, decrees, issuances, executive orders and any contract or agreement between employees and the government.

Section 8. *Implementing Rules and Regulations* -- The Department of Budget and Management, after a thorough process of consultation with the government employees shall promulgate the necessary rules and regulations to implement this Act including the corresponding increases per Salary Grades necessary to address the distortion created by the P6,000 increase in the minimum pay.

Section 9. *Separability Clause* -- If any provision or part of this Act or the application thereof to any person or circumstance is 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 10. *Repealing Clause* -- All laws, orders, issuances, rules and regulations or parts thereof inconsistent with the provisions of this Act are hereby repealed, amended or modified accordingly.

Section 11. *Effectivity Clause* -- This Act shall take effect within fifteen (15) days after its publication in the Official Gazette or in at least two newspapers of general circulation, whichever comes earlier.

Approved.