

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

SEVENTEENTH CONGRESS
First Regular Session

House Bill No. **5599**



Introduced by Representative Ron P. Salo

EXPLANATORY NOTE

The Personnel Economic Relief Allowance (PERA) started as a form of additional compensation to buffer against the effects of inflation and rising prices of commodities because of the turmoil in the Middle East in the 1990s. However, gasoline prices, transportation fares and prices of basic commodities have drastically increased since the inception of PERA have proven that the PERA not only serves as an emergency allowance that augments the earnings of a government worker, but as a major source of additional funding to be able to afford basic commodities. Further, any adjustments to the PERA will need legislative approval to further augment the value of the allowance versus economic reality.

The present P2,000 PERA was last adjusted in July 2009 by then President Gloria Macapagal-Arroyo. The ensuing years saw no increase in the PERA despite the continuing rise in the average daily costs. This bill proposes that the Personnel Economic Relief Allowance (PERA) be subject to an across the board increase and be subject to an automatic annual adjustment equivalent to any increase of the annual inflation rate in the country.

We propose to increase the PERA of Government employees to P5,000. The P3,000 increase will be a very significant assistance that the Filipino people can use in these times of economic hardships. We also propose that the PERA be adjusted yearly according to the annual inflation rate that the country may experience. This makes the PERA responsive to the needs of the government workers in the event of inflation.

Hence, the immediate passing of this bill is earnestly sought.


RON P. SALO
KABAYAN Partylist

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AN ACT PROVIDING AN INCREASE AND AN AUTOMATIC ADJUSTMENT MECHANISM IN THE PERSONNEL ECONOMIC RELIEF ALLOWANCE (PERA) GRANTED TO ALL WORKERS IN THE PUBLIC SECTOR, AND APPROPRIATING FUNDS THEREOF

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

SECTION 1. Personnel Economic Relief Allowance (PERA). – The Personnel Economic Relief Allowance (PERA) being granted to employees of the government shall be subject to an automatic yearly adjustment equivalent to any increase of the annual inflation rate in the country.

Concomitantly, upon the effectivity of this Act, the current PERA in the amount of Two Thousand Pesos (P2,000) per month is hereby adjusted to Five Thousand (P5,000) per month.

Thereafter, the Department of Budget and Management, in consultation with the Department of Finance, shall annually increase said PERA equivalent to the increase in the annual inflation rate of the country.

SEC. 2. Coverage. – The PERA shall be granted to civilian government personnel, whether employed by the national or local governments, appointive or elective, and whether occupying regular, contractual or casual positions, whose positions are covered by Republic Act No. 6758, the Compensation and Position Classification Act of 1989, as amended, as well as to the military and uniformed personnel. Provided that the government personnel stationed abroad already receiving overseas allowances shall not be entitled to the provisions of this Act.

SEC. 3. Appropriations. – For the first year of the implementation of this Act, funds necessary for the PERA of national and local government agencies shall be charged against the share of the government in the Malampaya Funds. Thereafter, the amount necessary shall be provided in the annual General Appropriations Act.

SEC. 4. Guidelines. – The Department of Budget and Management may from time-to-time issue guidelines for the orderly implementation of this Act. Said guidelines, however, shall not affect the regular release and automatic annual increase of the PERA.

SEC. 5. Repealing Clause. – All laws, decrees, resolutions, orders and parts thereof inconsistent with this Act are hereby repealed, amended or modified accordingly.

SEC.6. Effectivity. – This Act shall take effect fifteen (15) days after the publication in the Official Gazette or in one newspaper of general circulation.

Approved.