

Republic of the Philippines
House of Representatives
Quezon City

SEVENTEENTH CONGRESS
Second Regular Session

HOUSE BILL NO. 7055



Introduced by Representative EDGAR R. ERICE

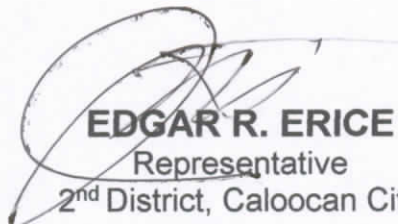
EXPLANATORY NOTE

The state shall promote a just and dynamic social order that will ensure the prosperity and independence of the nation and free the people from poverty through policies that provide adequate social services, promote full employment, a rising standard of living, and an improved quality of life for all.

In the past 2 years, we have witnessed remarkable growth in our economy, as evidenced by the consistently high GDP growth rates we have been receiving. However, this growth comes with the notion of trickle-down economics that the working class should just have whatever is left, couple this with an ever-rising inflation rate. This puts a heavy burden on the middle class or working-class people, through the annual cost increase of basic necessities is magnified with the idea that they have more purchasing power due to the growth.

The Cost of Living Allowance (COLA) sought to balance out inflation, this however fails to improve the standard of living of our fellows, thus it is the intention of this Representation to give back to the working class, those who made our substantial GDP growth possible, through the standardization of the COLA to seventeen percent (17%) of a regions minimum wage.

In view of the above mentioned, the immediate passage of this bill is earnestly sought.


EDGAR R. ERICE
Representative
2nd District, Caloocan City

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HOUSE BILL NO. **7055**

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AN ACT STANDARDIZING THE COST OF LIVING ALLOWANCE (COLA) TO SEVENTEEN PERCENT (17%) OF MINIMUM WAGE AND EXTENDING THE SAME TO THE GOVERNMENT SECTOR

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

SECTION 1. - “Declaration of Policy.”-The state shall promote a just and dynamic social order that will ensure the prosperity and independence of the nation and free the people from poverty through policies that provide adequate social services, promote full employment, a rising standard of living, and an improved quality of life for all.

SECTION 2. - “Coverage.”-All workers both from the private and public sector, whether working as a regular, contractual or casual employee, inclusive of both Non – agriculture and agriculture employment.

SECTION 3. – “Standardizing the Cost of Living Allowance (COLA).” -To alleviate the ever-rising cost of basic necessities on the working class who have made the high GDP growth possible, the COLA is hereby standardized to seventeen percent (17%) of the regional minimum wage.

SECTION 4. – “Providing a Cost of Living Allowance (COLA) for all Government Officials and Employees.” - Government workers, whether employed on the national or local government units, appointive or elective, career or non-career, inclusive of those employed under Government Owned and Controlled Corporations, are hereby included within the coverage of the Cost of Living Allowance (COLA), this is on top existing benefits and allowances granted for the same purpose.

SECTION 5. *Funding and Appropriations.* The amount necessary to carry out the implementation of this Act shall be. Charged against the current annual General Appropriations Act, thereafter, such sums as may be needed for its full implementation shall be included in the annual General Appropriations Act. In the case of government-owned and controlled corporations and financial institutions, the necessary funding shall be taken from their respective corporate funds.

SECTION 6. *Implementing rules and Regulations.* Within ninety days (90) days from the effectivity of this act, the Department of Labor and employment, Department of Budget and Management, Department of National Defense, the Department of Interior and Local Government, GCG, and other affected agencies, shall issue the implementing Rules and Regulations for the immediate implementation of this Act.

SECTION 7. *Separability Clause.* If for any reason any section or provision of this Act, or any portion thereof, or the application of such section, provision or portion thereof to any person, group or circumstance is declared invalid or unconstitutional, the remaining provisions of this Act shall not be affected by such declaration and shall remain in force and effect.

SECTION 8. *Repealing Clause.* The provisions of other laws, decrees, executive orders, rules and regulations inconsistent with this Act are hereby repealed, amended or modified accordingly.

SECTION 9. *Effectivity.* This Act shall take effect fifteen (15) days after its publication in at least two (2) national newspapers of general circulation

Approved,