

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Batasan Hills, Quezon City

NINETEENTH CONGRESS
First Regular Session

HOUSE BILL No. 2219



Introduced by
ACT Teachers Party-List Rep. FRANCE L. CASTRO,
GABRIELA Women's Party Rep. ARLENE D. BROSAS,
and **KABATAAN Party-List Rep. RAOUL DANNIEL A. MANUEL**

AN ACT
PROVIDING ₱3,000 MONTHLY INFLATION ADJUSTMENT ALLOWANCE
FOR ALL GOVERNMENT WORKERS AND APPROPRIATING FUNDS
THEREFOR

EXPLANATORY NOTE

Government workers are on the front lines of government services provision, with or without a pandemic. Just like the workers in the private sector and the Filipino public, government workers suffered from the effects of the COVID-19 pandemic.

Bound by their sworn duties, government workers performed their tasks to provide government services for the people despite being exposed to risks of the pandemic. According to the Civil Service Commission, as of July 7, 2021, at least 90,739 employees have contracted the COVID-19 virus, resulting in 1,283 deaths. Yet, not all workers were adequately supported by the government. Even combined, benefits from the PhilHealth, Government Service Insurance System, and Employees Compensation Commission can only take them as far as the initial expenses in hospitalization, for instance. As the employer, the government has the responsibility to promote welfare, assure health and safety, and provide for the needs of government workers.

Article II, Section 18 of the Constitution provides that "[t]he State affirms labor as a primary social economic force. It shall protect the rights of workers and promote their welfare." Further, Article XIII Section 3 of the Constitution provides that "[t]hey shall be entitled to security of tenure, humane conditions of work, and a living wage."

The COVID-19 pandemic presented additional hardship and expenses to government workers. Employees were required to wear personal protective equipment (PPE) and practice all the minimum health protocols. However, not all were provided free PPEs, mass testing, and treatment. Free transportation and accommodation are likewise not provided for all, even during the Enhanced Community Quarantine when public transportation was very limited. Worse, many job order (JO) and contract of service (COS) workers lost their jobs during the pandemic as a result of non-renewal of contracts and suspension of projects.

The inflation, hitting 4.5 percent in April 2022, was worsened by the pandemic and reduced economic activity. This is the same rate recorded in March 2021 and 2.3 percentage points higher compared to the previous year. Inflation eroded the purchasing power of the peso by at least ₱100 daily for minimum wage earners.

Needless to say, the situation made life for low-income government workers and their families more difficult.

Even before the pandemic, government workers were already complaining of inadequate salaries. The current ₱12,517 minimum salary for government workers is a far cry from the family living wage of ₱33,570 per month (or ₱1,119 per day) for a family of six. Neither will the measly increase under the final tranche next year (to make SG 1 ₱13,000) make the conditions of the hapless government employees any better.

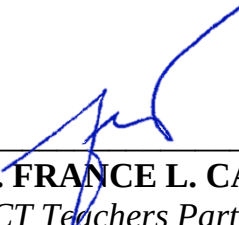
According to the International Labor Organization (ILO) Global Wage Report 2020-21. Wages and minimum wages in the time of COVID-19, “the Minimum Wage Fixing Convention, 1970 (No. 131), stipulates that, to maintain their relevance, minimum wages should be “adjusted from time to time” (Article 4). Failure to do so may lead to an erosion of the purchasing power of workers who earn the minimum wage when prices of goods and services are rising, or to more wage inequality when the general level of wages is increasing more rapidly than the minimum wage.”

The demand of government workers for a national minimum wage (₱16,000 per month since 2014, but soon to be increased considering the unabated inflation) is already insufficient considering the current dire economic situation. In the immediate, however, they are calling for additional allowances to help them to cope with the COVID-19 pandemic and high inflation rate in our country. While not at par with what is considered as the “living wage,” the proposed ₱3,000 monthly inflation adjustment allowance is meant to compensate for the decline in purchasing power and to help ease the impact of the COVID-19 pandemic.

The ₱3,000 monthly inflation adjustment allowance to all government workers will not only help them to tide over these difficult times but will also inspire them to continually provide and enhance the provision of government services for our people.

This Bill was first filed by Bayan Muna Representatives Carlos Isagani T. Zarate, Ferdinand R. Gaite and Eufemia C. Cullamat, ACT Teachers Party-List Representative France L. Castro, Gabriela Women's Party Representative Arlene D. Brosas and Kabataan Party-List Representative Sarah Jane I. Elago as House Bill No. 9922 in the 18th Congress.

Thus, the immediate passage of this Bill is earnestly sought.



Rep. FRANCE L. CASTRO
ACT Teachers Party-List



Rep. ARLENE D. BROSAS
GABRIELA Women's Party



Rep. RAOUL DANNIEL A. MANUEL
KABATAAN Party-List

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

SECTION 1. *Short Title.* – This Act shall be known as the “**₱3,000 Monthly Inflation Adjustment Allowance Act.**”

SEC. 2. *Declaration of Policy.* – It is hereby declared the policy of the State to alleviate the living condition of government workers and to guarantee their right to a living wage. The State shall protect and promote the rights and welfare of workers in the public sector.

SEC. 3. *Provision of Monthly Inflation Adjustment Allowance.* – An amount equivalent to Three Thousand Pesos (₱3,000) per month which shall be called Monthly Inflation Adjustment Allowance. shall be given to all government workers regardless of employment status.

The inflation adjustment allowance shall be given in addition to existing allowances and benefits provided to government workers under existing laws and regulations.

SEC. 4. Coverage. – The Inflation Adjustment Allowance prescribed in this Act shall apply to all government workers regardless of their position, designation, status and salary grade level.

These will include all permanent, casual, temporary, appointive, Job Orders (JOs) and Contract of Service (COS) workers.

SEC. 5. No Diminution of Benefits. – Nothing in this Act shall be construed to reduce any existing allowances and benefits of any form under existing laws, decrees, executive orders, issuances, rules and regulations.

SEC. 6. Sources of Fundings. – The amount necessary for the initial implementation of this Act for the year 2022 shall be sourced from:

- (a) Savings generated by the different departments, bureaus, offices and agencies of the government from the General Appropriations Act (GAA) FY 2022:
 - i. For NGAs, including SUCs, the amount required shall be charged against the available released Personnel Services (PS) allotments of the respective agencies under FY 2022 General Appropriations Act (GAA).
 - ii. For GOCCs, the amount required shall be charged against their respective approved corporate operating budgets (COBs) for FY 2022.
 - iii. For Legislative and Judicial Departments, the amount required shall be charged against the available released allotments of their respective agencies.
 - iv. For the LGUs, the amount required shall be charged against their respective FY 2022 local government funds.
 - v. For Local Water Districts (LWDs), the amount required shall be charged against their respective BOD-approved FY 2022 COBs.
- (b) Unobligated and unutilized funds from the Barangay Development Program (BDP) of the National Task Force to End Local Communists Armed Conflict (NTF ELCAC);
- (c) Unused appropriation for debt servicing: Notwithstanding any law to the contrary, the President of the Philippines may direct the discontinuance of unutilized automatic appropriations for the debt service and use the savings generated therefrom to augment allocation for the purpose of this Act; and
- (d) Unused funds from foreign loans provided for the government's wage subsidy and social protection programs.

Provided That, for the succeeding years, the amount necessary shall be included in the annual General Appropriations Act.

SEC. 7. *Separability Clause.* – If any provisions of this Act is declared invalid or unconstitutional, other provisions hereof which are not affected thereby shall continue to be in full force and effect.

SEC. 8. *Repealing Clause.* – All laws, decrees, orders, issuances, rules and regulations or part thereof inconsistent with the provisions of this Act are hereby repealed, amended or modified accordingly.

SEC. 9. *Effectivity Clause.* – This Act shall take effect within fifteen (15) days after its publication in the Official Gazette or in at least two (2) newspapers of general circulation, whichever comes earlier.

Approved,