

NINETEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Second Regular Session)



HOUSE OF REPRESENTATIVES

H. B. No. 8716

Introduced by Representative Ralph G. Recto

AN ACT
MODIFYING THE SALARY SCHEDULE FOR CIVILIAN GOVERNMENT
PERSONNEL AND AUTHORIZING THE GRANT OF ADDITIONAL BENEFITS
AND FOR OTHER PURPOSES

EXPLANATORY NOTE

This bill mandates a four-year salary increase for government officials and employees. It seeks to improve the purchasing power of approximately 1.46 million civil servants¹ in the country that was eroded by inflation.

It also aims to attract and retain competent and committed civil servants and increase productivity among public sector workers.

Under Republic Act No. 11466, otherwise known as the "Salary Standardization Law of 2019," the national government implemented the salary modification for civilian government personnel. The modified salary schedule was implemented in four tranches from January 1, 2020 to January 1, 2023. However, the adjusted salary is still inadequate since the country is still recovering from the effects of the pandemic. Government employees can barely afford to support their families as the inflation rate between April 2019 and April 2023 grew by a significant 120%.²

¹ Table 1. Staffing Summary of the National Government. Fiscal Year 2023 and Civil Service Commission Inventory of Human Government Resources as of June 30, 2022.

² PSA Summary Inflation Report April 2019 and April 2023.

This proposal will put more money in civilian government employees' pockets and will increase disposable income, boost consumer spending, and in turn would stimulate the economy and help generate more revenues.

The salary adjustments will be implemented in four tranches spread over a period of four years. The first tranche of the adjustment shall be implemented on January 1, 2024 and every January 1 thereafter until the final tranche in 2027. The proposed salary schedule is designed to address the issues of salary disparity and inequity. To create a more robust middle class and ensure a more equitable and progressive salary adjustment, the proposed measure divides the salary grades into three distinct levels based on the current salary structure. It outlines different percentage increases for each salary level wherein employees falling under Salary Grades (SGs) 1 to 11 will receive a 30% salary increase, those within SGs 12 to 21 will receive a 22% increase, while those in SGs 22 to 33 will receive a 12% salary increase.

With this bill, the government would alleviate the living conditions of the 1.46 million civilian public servants. Consequently, the much-needed relief that this measure offers will further motivate government personnel and invigorate public service.

In view of the foregoing, the approval of this bill is earnestly sought.



RALPH G. RECTO

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

1 Section 1. *Title.* – This Act shall be known as the "Salary Standardization Law
2 VI".

3 Sec. 2. *Declaration of Policy.* – Pursuant to the constitutional mandate that the
4 State shall provide for the standardization of salary of government officials and
5 employees, including those in government-owned or –controlled corporations with
6 original charters, taking into account the nature of duties and responsibilities
7 pertaining to and the qualifications required for their positions, the State shall:

8 a. implement a salary schedule that is generally comparable with those in the
9 private sector doing comparable work and in accordance with the provisions of
10 existing salary and position classification laws, in order to attract, retain and
11 motivate a corps of competent civil servants;

12 b. keep the salary for government personnel fair and reasonable based upon
13 substantive differences in duties, responsibilities, accountabilities and
14 qualification requirements of the positions;

15 c. ensure that the compensation for all civilian government personnel shall be
16 standardized and rationalized across all government agencies to create an
17 enabling environment that will promote social justice, integrity, efficiency,
18 productivity, accountability and excellence in the civil service;

1 d. take into consideration the financial capability of the government and shall give
2 due regard to the efficient allocation of funds for personnel services, which shall
3 be maintained at a realistic level in proportion to the overall expenditure of
4 government; and

5 e. conduct a periodic review of the salary and position classification system taking
6 into account the changes in skills and competency requirements and the
7 possible erosion in the purchasing power due to inflation, and other factors.

8 Sec. 3. *Coverage.* — This Act shall apply to all positions for civilian government
9 personnel in the Executive, Legislative and Judicial Branches, including Constitutional
10 Commissions, State Universities and Colleges (SUCs), Government-Owned or -
11 Controlled Corporations (GOCCs) not covered by RA No. 10149, Government Financial
12 Institutions (GFIs) and local government units (LGUs); regardless of appointment
13 status, whether regular, casual or contractual in nature; appointive or elective; and
14 on full-time or part-time basis, now existing or hereafter created.

15 Sec. 4. *Exclusions.* – The following shall be excluded from the coverage of this
16 Act:

17 a. Military and uniformed personnel;

18 b. GOCCs under Republic Act No. 10149 which shall be covered by a
19 Compensation and Position Classification System (CPCS) established by the
20 Governance Commission for GOCCs (GCG) and approved by the President of
21 the Philippines; and

22 c. Individuals whose services are engaged through job orders, contracts of
23 service, consultancy or service contracts with no employer-employee
24 relationship.

25 Sec. 5. *Exempt Entities.* – Exempt entities refer to: (a) government agencies
26 that are not covered by the CPCS authorized under Republic Act No. 6758, as
27 amended; (b) GOCCs governed by the (CPCS) established by GCG under Republic Act
28 No. 10149; and (c) those authorized by law and have actually adopted their own
29 compensation and position classification system.

30 Exempt entities shall be governed by their respective compensation and
31 position classification systems which shall be made effective upon the

recommendation of the Department of Budget and Management (DBM) or GCG, as the case may be, and approval by the President of the Philippines,

Sec. 6. Applicability to Certain Officials. – Pursuant to Section 6 of Article VII and Section 10 of Article VI of the Constitution, the salaries authorized herein for the President of the Philippines, Vice-President of the Philippines and Members of Congress shall take effect only after the expiration of the respective terms of the present incumbents.

Sec. 7. Modified Salary Schedule for Civilian Government Personnel. – The modified Salary Schedule for Civilian Personnel shall be as follows:

FIRST TRANCHE

Salary Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
1	13,975	14,092	14,210	14,329	14,449	14,569	14,691	14,814
2	14,855	14,969	15,084	15,201	15,317	15,434	15,553	15,671
3	15,779	15,901	16,023	16,147	16,271	16,395	16,522	16,647
4	16,755	16,884	17,014	17,144	17,276	17,407	17,542	17,676
5	17,784	17,921	18,059	18,198	18,336	18,478	18,620	18,762
6	18,869	19,015	19,161	19,309	19,458	19,606	19,757	19,909
7	20,017	20,170	20,325	20,482	20,638	20,797	20,956	21,117
8	21,225	21,417	21,612	21,806	22,003	22,202	22,403	22,606
9	22,802	22,992	23,185	23,378	23,574	23,770	23,969	24,169
10	24,914	25,123	25,332	25,544	25,758	25,973	26,190	26,410
11	29,025	29,330	29,641	29,955	30,273	30,597	30,923	30,674
12	30,769	31,069	31,373	31,680	31,991	32,306	32,625	32,948
13	33,043	33,373	33,706	34,044	34,387	34,733	35,083	35,439
14	35,704	36,067	36,434	36,807	37,182	37,563	37,949	38,340
15	38,633	39,032	39,436	39,845	40,259	40,678	41,102	41,532
16	41,854	42,293	42,737	43,186	43,642	44,103	44,571	45,042
17	45,397	45,880	46,368	46,863	47,364	47,872	48,384	48,905
18	49,295	49,826	50,364	50,907	51,459	52,017	52,581	53,153
19	54,182	54,961	55,754	56,559	57,377	58,209	59,055	59,913
20	60,501	61,381	62,277	63,186	64,111	65,051	66,006	66,977
21	67,517	68,512	69,523	70,551	71,597	72,654	73,738	74,825
22	75,087	75,843	76,607	77,005	78,157	79,330	80,520	81,729
23	82,403	83,643	84,905	86,193	87,600	89,030	90,482	91,959
24	92,780	94,294	95,834	97,399	98,988	100,604	102,246	103,915
25	105,771	107,497	109,251	111,034	112,847	114,688	116,561	118,462
26	119,521	121,471	123,454	125,468	127,517	129,598	131,712	133,863
27	135,058	137,262	139,503	141,780	144,094	146,445	148,836	151,265

Salary Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
28	152,616	155,107	157,638	160,211	162,825	165,484	168,185	170,930
29	172,455	175,271	178,131	181,039	183,993	186,997	190,048	193,151
30	194,875	198,055	201,288	204,573	207,912	211,306	214,754	218,259
31	286,787	292,388	298,098	303,921	309,858	315,909	322,080	328,370
32	341,913	348,808	355,842	363,018	370,340	377,808	385,428	393,200
33	431,718	444,670						

SECOND TRANCHE

Salary Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
1	15,023	15,149	15,276	15,403	15,533	15,662	15,793	15,925
2	15,970	16,092	16,216	16,341	16,465	16,591	16,720	16,847
3	16,962	17,094	17,225	17,357	17,492	17,624	17,761	17,896
4	18,012	18,150	18,290	18,430	18,572	18,713	18,857	19,002
5	19,118	19,265	19,413	19,562	19,711	19,864	20,017	20,169
6	20,285	20,441	20,598	20,757	20,917	21,076	21,239	21,402
7	21,518	21,683	21,849	22,018	22,186	22,357	22,528	22,701
8	22,817	23,024	23,233	23,442	23,653	23,867	24,083	24,302
9	24,512	24,717	24,923	25,131	25,342	25,553	25,767	25,982
10	26,783	27,007	27,232	27,460	27,690	27,921	28,154	28,390
11	31,202	31,530	31,864	32,201	32,544	32,891	33,243	32,361
12	32,461	32,777	33,098	33,422	33,750	34,083	34,419	34,760
13	34,860	35,208	35,560	35,916	36,278	36,643	37,013	37,388
14	37,668	38,051	38,438	38,831	39,227	39,629	40,037	40,448
15	40,758	41,179	41,605	42,037	42,473	42,915	43,362	43,816
16	44,156	44,619	45,088	45,562	46,043	46,529	47,022	47,519
17	47,893	48,403	48,919	49,441	49,969	50,505	51,046	51,594
18	52,006	52,566	53,134	53,707	54,289	54,878	55,473	56,076
19	57,162	57,984	58,820	59,669	60,533	61,410	62,303	63,209
20	63,829	64,757	65,702	66,661	67,637	68,629	69,636	70,660
21	71,230	72,280	73,347	74,431	75,534	75,929	76,325	76,719
22	77,715	78,497	79,289	79,700	80,502	81,709	82,936	84,181
23	84,875	86,153	87,452	88,779	90,228	91,701	93,197	94,718
24	95,564	97,123	98,709	100,321	101,958	103,622	105,313	107,032
25	108,944	110,722	112,529	114,365	116,232	118,129	120,058	122,016
26	123,107	125,115	127,157	129,232	131,343	133,486	135,664	137,879
27	139,109	141,380	143,688	146,033	148,417	150,839	153,301	155,803
28	157,195	159,760	162,368	165,018	167,710	170,448	173,230	176,057
29	177,629	180,529	183,475	186,470	189,513	192,606	195,750	198,945
30	200,721	203,996	207,326	210,711	214,149	217,645	221,197	224,807
31	295,391	301,160	307,041	313,039	319,154	325,387	331,742	338,221
32	352,170	359,273	366,518	373,909	381,450	389,142	396,991	404,996

Salary Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
33	444,670	458,010						

THIRD TRANCHE

Salary Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
1	16,150	16,285	16,422	16,559	16,698	16,837	16,977	17,119
2	17,167	17,299	17,432	17,566	17,700	17,836	17,974	18,110
3	18,234	18,376	18,516	18,659	18,803	18,946	19,093	19,238
4	19,362	19,512	19,662	19,812	19,965	20,117	20,272	20,427
5	20,551	20,710	20,869	21,030	21,190	21,354	21,518	21,682
6	21,806	21,974	22,143	22,314	22,486	22,657	22,832	23,007
7	23,132	23,309	23,488	23,669	23,850	24,033	24,217	24,404
8	24,528	24,750	24,975	25,200	25,427	25,657	25,889	26,124
9	26,350	26,570	26,793	27,016	27,242	27,470	27,699	27,931
10	28,791	29,032	29,275	29,519	29,767	30,015	30,266	30,520
11	33,542	33,895	34,254	34,617	34,984	35,358	35,736	34,141
12	34,247	34,580	34,918	35,260	35,607	35,958	36,312	36,672
13	36,777	37,145	37,516	37,892	38,273	38,658	39,048	39,444
14	39,740	40,144	40,552	40,967	41,385	41,809	42,239	42,673
15	43,000	43,443	43,893	44,349	44,809	45,275	45,747	46,226
16	46,585	47,073	47,567	48,068	48,575	49,088	49,608	50,133
17	50,528	51,065	51,609	52,160	52,718	53,282	53,853	54,432
18	54,866	55,457	56,056	56,661	57,275	57,896	58,524	59,161
19	60,306	61,173	62,055	62,951	63,862	64,788	65,729	66,685
20	67,339	68,319	69,315	70,328	71,357	72,404	73,466	74,547
21	75,148	76,255	77,381	78,525	79,689	80,105	80,523	80,939
22	81,212	81,637	82,460	83,287	83,722	84,161	85,424	86,707
23	87,421	88,737	90,076	91,443	92,935	94,452	95,993	97,560
24	98,431	100,037	101,671	103,330	105,017	106,731	108,473	110,243
25	112,212	114,044	115,904	117,796	119,719	121,673	123,660	125,677
26	126,800	128,869	130,972	133,109	135,283	137,490	139,734	142,015
27	143,283	145,621	147,999	150,414	152,869	155,364	157,900	160,477
28	161,910	164,553	167,239	169,968	172,742	175,562	178,427	181,339
29	182,957	185,945	188,979	192,064	195,198	198,385	201,622	204,914
30	206,743	210,116	213,546	217,032	220,574	224,174	227,832	231,551
31	304,252	310,195	316,253	322,430	328,728	335,148	341,695	348,368
32	362,735	370,051	377,513	385,126	392,893	400,817	408,901	417,146
33	458,010	471,750						

FOURTH TRANCHE

Salary Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
1	17,361	17,507	17,654	17,800	17,950	18,100	18,251	18,403
2	18,455	18,596	18,739	18,884	19,028	19,173	19,322	19,468
3	19,602	19,754	19,905	20,059	20,214	20,367	20,525	20,681
4	20,815	20,975	21,136	21,298	21,462	21,625	21,792	21,959
5	22,093	22,264	22,435	22,607	22,779	22,955	23,132	23,308
6	23,441	23,622	23,803	23,988	24,172	24,356	24,545	24,733
7	24,866	25,057	25,250	25,445	25,638	25,836	26,034	26,234
8	26,368	26,607	26,848	27,090	27,334	27,581	27,831	28,084
9	28,327	28,563	28,802	29,042	29,286	29,530	29,777	30,025
10	30,951	31,210	31,470	31,733	31,999	32,266	32,536	32,808
11	36,058	36,437	36,823	37,213	37,608	38,010	38,416	36,019
12	36,130	36,482	36,839	37,199	37,565	37,935	38,309	38,688
13	38,800	39,188	39,579	39,976	40,378	40,785	41,196	41,613
14	41,926	42,352	42,783	43,220	43,661	44,108	44,562	45,020
15	45,365	45,833	46,307	46,788	47,274	47,765	48,263	48,769
16	49,147	49,662	50,184	50,711	51,246	51,788	52,337	52,890
17	53,307	53,874	54,448	55,029	55,617	56,213	56,815	57,426
18	57,884	58,507	59,139	59,777	60,425	61,080	61,743	62,414
19	63,622	64,538	65,468	66,413	67,375	68,351	69,344	70,353
20	71,043	72,076	73,128	74,196	75,282	76,386	77,507	78,647
21	79,281	80,449	81,637	82,451	83,275	83,710	84,146	84,986
22	85,272	85,719	86,171	86,618	87,071	87,527	88,414	89,308
23	90,044	91,399	92,778	94,186	95,723	97,286	98,873	100,487
24	101,384	103,038	104,721	106,430	108,167	109,933	111,727	113,550
25	115,578	117,465	119,382	121,330	123,311	125,323	127,369	129,447
26	130,604	132,735	134,901	137,103	139,341	141,615	143,926	146,276
27	147,581	149,990	152,439	154,926	157,455	160,025	162,637	165,291
28	166,768	169,489	172,256	175,067	177,924	180,829	183,780	186,779
29	188,446	191,523	194,649	197,826	201,054	204,336	207,671	211,061
30	212,945	216,420	219,953	223,543	227,191	230,899	234,667	238,498
31	313,380	319,500	325,740	332,103	338,590	345,203	351,945	358,819
32	373,617	381,152	388,839	396,680	404,680	412,841	421,168	429,661
33	471,750	485,902						

- 1 The rates in the above Salary Schedule represent monthly remuneration for
- 2 regular or contractual personnel, whether appointive or elective, and on full-time
- 3 employment. The remuneration for those on part-time basis shall be proportionate to
- 4 the actual services rendered.

Casual personnel shall be paid daily wage rate computed by dividing the corresponding monthly salary rate in the above schedule by twenty-two (22) working days.

Sec. 8. Salary Adjustment for Personnel of Local Government Units. – The modified Salary Schedule authorized herein may be granted to personnel of LGUs subject to compliance with the Personnel Services (PS) limitation in the LGU budget under Sections 325 and 331 of Republic Act No. 7160 and authorization from the Sanggunian as provided under Sections 447(a), 458(a) and 46S(a) of Republic Act No. 7160.

In the implementation of the salary increases, LGUs shall likewise ensure compliance with the following;

- (a) The salaries of LGU personnel that may be authorized shall correspond to the LGU's income classification and shall not exceed the percentage of the Salary Schedule in Section 7 hereof, as follows:

Percentage of the Salary Schedule		
	For Provinces/Cities	For Municipalities
Special Cities	100%	
1 st Class	100%	90%
2 nd Class	95%	85%
3 rd Class	90%	80%
4 th Class	85%	75%
5 th Class	80%	70%
6 th Class	75%	65%

- (b) The basic pay of barangay personnel shall be in the form of honoraria consistent with Republic Act No. 7160, which shall not exceed the percentage of the Salary Schedule corresponding to the income classification of the LGU.

- (c) In case of partial implementation of the authorized compensation rates, the same shall be at uniform percentage across all positions for every LGU.

Sec. 9. Implementation Schedule. – The modified Salary Schedule as provided herein shall be implemented in National Government Agencies as follows, subject to appropriations by Congress:

- a. Starting January 1, 2024, the first tranche schedule for civilian personnel;
- b. By January 1, 2025, the second tranche schedule for civilian personnel;
- c. By January 1, 2026, the third tranche schedule for civilian personnel; and
- d. By January 1, 2027, the fourth tranche schedule for civilian personnel.

For covered GOCCs, GFIs and LGUs, the implementation period shall be in at least four (4) years depending on their financial capability, with each tranche starting not earlier than the dates stated above. GOCCs, GFIs and LGUs which do not have adequate or sufficient funds shall partially implement the modified Salary Schedule. In case of partial implementation, the same shall be at uniform percentage across all positions for every GOCC, GFI and LGU.

Sec. 10. Non-diminution in the Basic Salaries of Incumbent Employees. – In no case shall there be any diminution in the basic salaries of incumbent employees upon the implementation of this Act. For this purpose, they shall receive the new salary rates prescribed herein which in no case shall be less than their existing salary rates.

Sec. 11. Compensation and Position Classification Report. – The DBM shall prepare a Compensation and Position Classification Report for all government entities in the national government; GOCCs and GFIs including exempt entities and the status of implementation thereof. The reports shall be periodically updated and submitted to Congress and the Commission on Audit for public disclosure, monitoring, compliance with established policies and as basis for future policy decisions.

Sec. 12. Periodic Review of the Compensation and Position Classification System. – The DBM and Civil Service Commission (CSC) shall jointly review the Compensation and Position Classification System every three (3) years, develop and recommend to the President a competitive compensation and remuneration system which shall attract and retain talent.

Sec. 13. Appropriations. – The funding sources for the amounts necessary to implement the modified Salary Schedule shall be as follows:

- (a) For national government entities, the amount necessary for the immediate implementation of this Act shall be included in the General Appropriations Act (GAA);

1 (b) For covered GOCCs and GFIs, the amounts shall come from their respective
2 corporate funds in the approved corporate operating budgets. Government
3 corporations which do not have adequate or sufficient funds shall only
4 partially implement the established rates: *Provided*, That any partial
5 implementation shall be at uniform proportion of the established rates for
6 all positions in each government corporation; and

7 (c) For LGUs, the amounts shall be charged against their respective local
8 government funds in accordance with the pertinent provisions of this Act
9 and Republic Act No. 7160.

10 Sec. 14. *Implementing Rules and Guidelines.* – Within sixty (60) days after the
11 effectivity of this Act, the DBM, CSC and GCG shall formulate the rules and regulations
12 to effectively implement the provisions of this Act.

13 Sec. 15. *Separability Clause.* – If, for any reason, any section or provision of
14 this Act is declared to be unconstitutional or invalid, the remainder of this Act or any
15 provisions not affected thereby shall remain to be in full force and effect.

16 Sec. 16. *Repealing Clause.* – Any law, presidential decree or issuance, executive
17 order, corporate charters, implementing rules and regulations, circulars, and other
18 issuances prescribing salary grades for government officials and employees which are
19 inconsistent with the provisions of this Act are hereby repealed, amended or modified
20 accordingly.

21 Sec. 17. *Effectivity.* – This Act shall take effect fifteen (15) days following its
22 complete publication in two (2) newspapers of general circulation or in the *Official*
23 *Gazette*.

Approved,