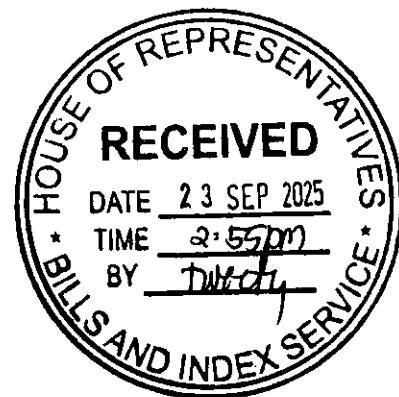


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

House Bill No. **4790**



Introduced by Representative RAYMOND ADRIAN SALCEDA

AN ACT
INSTITUTIONALIZING THE PERSONNEL ECONOMIC RELIEF ALLOWANCE,
AUTOMATICALLY ADJUSTING THE BENEFIT AMOUNT OF INFLATION, AND FOR
OTHER PURPOSES

EXPLANATORY NOTE

The Personnel Economic Relief Allowance (PERA) was first introduced in 1991 through Budget Circular No. 9 and later strengthened by various administrative issuances. Its intent was clear: to provide government workers with a modest cushion against the rising costs of living and to recognize the economic burdens shouldered by those serving the public.

Yet, since its standardization at ₱2,000 per month in 2009, the allowance has remained stagnant. In the fourteen years that have passed, inflation has steadily eroded its value. What ₱2,000 could purchase in 2009 is worth less than half today. The spiraling cost of food, fuel, transportation, education, and healthcare has left the PERA practically ineffective as a form of economic relief.

Government employees — from teachers, nurses, and soldiers, to clerks, field workers, and local public servants — are not immune to these economic hardships. They face the same mounting expenses borne by every Filipino household, and yet their relief allowance has not kept pace with the realities of inflation and the demands of daily living.

This measure seeks to increase the PERA from ₱2,000 to ₱6,000 per month, effective January 1, 2026. It is a long overdue adjustment that restores the relevance of PERA as a genuine relief measure, not merely a symbolic amount. The proposed increase is not only just — it is necessary to uphold the dignity of public service, reduce attrition in government posts, and ensure that the State remains a competitive and compassionate employer.

The proposed funding arrangements are clear and equitable:

- For national government employees, the increase shall be incorporated into the annual General Appropriations Act.

- For local government employees, the increase shall be charged against local funds and applied uniformly across LGUs regardless of income class, with authority to realign unexpended balances of the 2025 appropriations for this purpose.
- For government-owned and controlled corporations (GOCCs), the increase shall be charged against their respective corporate operating budgets.

This measure recognizes that government employees are the backbone of public service delivery. Ensuring their well-being is not an expense but an investment in the efficiency, integrity, and continuity of governance.

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



RAYMOND ADRIAN SALCEDA

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

SECTION. 1. *Institutionalization of the PERA.* – The Personnel Economic Relief Allowance (PERA) granted to government employees, pursuant to Budget Circular No. 9 and subsequent issuances is hereby institutionalized.

SEC. 2. *Coverage.* – The PERA shall be granted to civilian government employees whether employed by the national or local governments, state and local universities and colleges, appointive or elective, and whether occupying regular, contractual, or casual positions, whose positions are covered by Republic Act No. 6758, otherwise known as the “Compensation and Position Classification Act of 1989,” as amended, as well as to uniformed personnel.

SEC. 3. *Amount of PERA.* – The PERA is hereby set at Six Thousand Pesos (P6,000) every calendar year starting January 1, 2026, to be adjusted for inflation every three (3) years, subject to guidelines issued by the Department of Budget and Management.

SEC. 4. *Funding.* – The funds necessary to implement the benefit herein authorized for national government employees shall be included in the annual General Appropriations Act.

For Local Government Units (LGUs), the benefit shall be charged against respective local funds and uniformly applied regardless of LGU classification. Any deficiency shall be charged against the unexpended balances of CY 2024 appropriations of LGUs which are hereby authorized to be aligned for the purpose herein. Thereafter, the amount shall be provided in their respective annual local budgets.

For Government-Owned and/or Controlled Corporations, the benefits shall be charged against their respective corporate funds.

SEC. 5. *Implementing Rules and Regulations.* – Within thirty (30) days from the approval of this Act, the Department of Budget and Management, in coordination with the Civil Service Commission and the Department of Interior and Local Government, shall issue the implementing rules and regulations for the effective implementation of this Act.

SEC. 6. *Repealing Clause.* – All laws, decrees, orders, rules and regulations, or portions thereof, inconsistent with this Act are hereby repealed or modified accordingly.

SEC. 7. *Separability Clause.* – If any provision of this Act is declared unconstitutional or invalid, the other provisions not affected thereby shall remain in full force and effect.

SEC. 8. *Effectivity.* – This Act shall take effect fifteen (15) days following its publication in the *Official Gazette* or in two (2) newspapers of general circulation.

Approved,