



REPUBLIC OF THE PHILIPPINES
House of Representatives
CONSTITUTION HILLS, QUEZON CITY

TWENTIETH CONGRESS
First Regular Session

House Bill No. **9013**



AN ACT INCREASING THE PERSONNEL ECONOMIC RELIEF ALLOWANCE (PERA) OF GOVERNMENT EMPLOYEES FROM TWO THOUSAND PESOS (P2,000.00) TO FIVE THOUSAND PESOS (P5,000.00) PER MONTH, AND APPROPRIATING FUNDS THEREFOR

Introduced by Representative SHIRLYN L. BAÑAS-NOGRALES

EXPLANATORY NOTE

The Personnel Economic Relief Allowance (PERA) was instituted to cushion the impact of inflation on government employees and to augment their take-home pay during periods of economic difficulty. In 2009, pursuant to Joint Resolution No. 4 and Budget Circular No. 2009-3, PERA was standardized at Two Thousand Pesos (P2,000.00) per month.

For more than fifteen (15) years, this amount has remained unchanged despite sustained inflation and the steady increase in the cost of basic goods and services. As a result, the purchasing power of the peso has significantly declined, eroding the real value of PERA and undermining its purpose as an economic relief measure.

Rank-and-file government employees are disproportionately burdened by the continuing erosion of purchasing power, as the Personnel Economic Relief Allowance (PERA) constitutes a substantial and predictable component of their disposable income. Unlike private sector wages, which are periodically adjusted through wage orders issued by Regional Tripartite Wages and Productivity Boards to reflect prevailing economic conditions, government allowances – including PERA – have remained largely unchanged for many years. This stagnation has significantly diminished the real value of PERA amid sustained inflation and rising costs of food, transportation, housing, utilities, and other basic necessities. Consequently, public servants, particularly those in lower salary grades, are increasingly exposed to financial vulnerability, underscoring the urgent need for legislative intervention to restore the allowance's intended relief function and to uphold the State's obligation to promote decent living standards and equitable compensation in public service.

This measure seeks to restore, in part, the value of the Personnel Economic Relief Allowance by increasing it from Two Thousand Pesos (P2,000.00) to Five Thousand Pesos (P5,000.00) per month. The proposed adjustment reflects present economic realities and strikes a fiscally responsible balance between the welfare of government employees and the State's financial capacity.

Increasing the PERA is a concrete recognition of the invaluable contribution of public servants to the delivery of essential services, the functioning of democratic institutions, and the promotion of national development. Providing them adequate economic relief strengthens morale, productivity, and the overall effectiveness of the bureaucracy.

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



SHIRLYN L. BANAS-NOGRALES



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

SECTION 1. *Increase in the Personnel Economic Relief Allowance (PERA).* – The Personnel Economic Relief Allowance (PERA) granted to government employees is hereby increased from Two Thousand Pesos (P2,000.00) to Five Thousand Pesos (P5,000.00) per month.

SECTION 2. *Coverage.* – The increased PERA shall be granted to all government personnel, whether employed by the national government, local government units (LGUs), state universities and colleges (SUCs), or government-owned or -controlled corporations (GOCCs), whether appointive or elective, and whether occupying regular, contractual, or casual positions, whose positions are covered by Republic Act No. 6758, as amended. Uniformed personnel shall likewise be covered, subject to existing laws and regulations. Government personnel stationed abroad who are already receiving overseas allowances shall not be entitled under this Act.

SECTION 3. *Funding Source.* –

- (a.) For national government agencies, the amount necessary for the implementation of this Act shall be charged against existing appropriations authorized under the current General Appropriations Act, subject to budget execution guidelines issued by the DBM. Thereafter, the necessary funds shall be included in the annual General Appropriations Act.
- (b.) For local government units, the implementation of the increased PERA shall be subject to local fiscal capacity and shall be charged against available local funds, in accordance with existing budgeting, accounting, and auditing rules and regulations.
- (c.) For government-owned or -controlled corporations, the cost shall be charged against their respective corporate operating budgets, subject to the approval of their governing boards and applicable fiscal policies.

SECTION 4. *Implementing Rules and Regulations.* – The Department of Budget and Management (DBM) shall issue the necessary rules and regulations within thirty (30) days from the effectivity of this Act.

SECTION 5. *Periodic Review of PERA.* – The Department of Budget and Management (DBM), in coordination with the Civil Service Commission (CSC), the Department of Economy, Planning, and Development (DEPDev), and other relevant agencies, shall conduct a review of the adequacy of the Personnel Economic Relief Allowance (PERA) every three (3) years, taking into account prevailing inflation rates, cost-of-living indicators, and fiscal sustainability.

The DBM shall submit its findings and recommendations to Congress for appropriate legislative action.

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

SECTION 7. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in at least two (2) newspapers of general circulation.

Approved,