

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

TWENTIETH CONGRESS
Second Regular Session

HOUSE BILL NO. 10360



Introduced by REP. YSABEL MARIA J. ZAMORA

EXPLANATORY NOTE

The Personnel Economic Relief Allowance (PERA) is a benefit given to government employees in the Philippines to provide relief against the effects of inflation and the increasing cost of living. Despite its purpose, the PERA has remained fixed at Two Thousand Pesos (Php 2,000.00) per month since 2010. Over the years, however, inflation has eroded the purchasing power of Filipinos. Two Thousand Pesos (Php 2,000.00) today has the purchasing power equivalent only to approximately One Thousand One Hundred to One Thousand Two Hundred Pesos (Php 1,100.00 - 1,200.00) in 2010 prices.

Recognizing the substantial increase in the prices of basic goods and essential services over the past fifteen (15) years, there is a critical need to increase the PERA to Five Thousand Pesos (Php 5,000.00) per month. The adjustment reflects the true purpose of the benefit by ensuring that meaningful relief is provided to government employees to meet their daily needs.

Nonetheless, a one-time increase in the amount of PERA is insufficient. Without a mechanism for periodic adjustment, the value of the benefit would once again diminish over time due to inflation. Eventually, this will necessitate another legislative amendment, a process which inevitably takes time. Thus, the measure proposes that the PERA be automatically adjusted annually equivalent to the increase in the annual inflation rate.

The proposed measure is expected to benefit approximately two million government employees nationwide, and by extension, their families who depend on their income. In view of the foregoing, the passage of this bill is earnestly sought.


REP. YSABEL MARIA J. ZAMORA
Lone District, City of San Juan

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AN ACT
PROVIDING AN INCREASE AND AUTOMATIC ADJUSTMENT MECHANISM IN THE
PERSONNEL ECONOMIC RELIEF ALLOWANCE (PERA) GRANTED TO GOVERNMENT
EMPLOYEES

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

SECTION 1. Personnel Economic Relief Allowance. – The Personnel Economic Relief Allowance (PERA) being granted to employees of the government shall be subject to an automatic yearly adjustment equivalent to any increase of the annual inflation rate in the country.

Concomitantly, upon the effectivity of this Act, the current PERA in the amount of Two Thousand Pesos (P2,000) per month is hereby adjusted to Five Thousand (P5,000) per month.

SEC. 2. Coverage. – The PERA shall be granted to civilian government personnel whether employed by the national or local governments, 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 military and uniformed personnel: Provided, That government personnel stationed abroad already receiving overseas allowances shall not be entitled to the provisions of this Act.

SEC. 3. 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 PERA every three (3) years, taking into account prevailing inflation rates, cost-of-living indicators, and fiscal sustainability.

SEC. 4. Appropriations. - For the first year of the implementation of this Act, funds

necessary for the PERA of national and local government agencies shall be charged against savings, which for this purpose includes unreleased appropriations and other programmed appropriations. Thereafter, the amount necessary shall be provided in the annual General Appropriations Act.

SEC. 5. Repealing Clause. – All laws, decrees, executive orders, proclamations, rules and regulations contrary to or inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SEC. 6. Effectivity. – This Act shall take effect fifteen (15) days following its publication in the Official Gazette or in at least one (1) newspaper of general circulation.

Approved,