

SIXTEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
First Regular Session )




Senate  
Office of the Secretary

13 JUL -8 P1:12

SENATE

S. B. No. 589

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Introduced by Senator **FRANCIS G. ESCUDERO**

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#### EXPLANATORY NOTE

The Personnel Economic Relief Allowance (PERA) is a subsidy granted to all government workers as a form of assistance to help make ends meet in the face of economic crisis as well as higher prices. The original intent of the PERA in the early 1990s was as an emergency allowance to serve as a buffer against skyrocketing prices of basic commodities due to oil price hikes and instability in the Middle East.

However, higher gasoline prices, higher transportation fares and higher prices of basic commodities since the PERA's inception have proven that the PERA augments the earnings of a government worker not just as an emergency allowance, but as a major source of additional funding to be able to afford basic commodities. Further, any adjustments to the PERA will need legislation to further augment the value of the allowance versus economic reality.

This bill realizes the true worth and intent of the PERA as a form of economic relief, and proposes that the PERA be subject to an automatic yearly adjustment equivalent to any increase of the annual inflation rate in the country. This makes the PERA responsive to the needs of the government worker in the event of high prices.

In view of the foregoing circumstances, the immediate approval of this measure is earnestly urged.

**FRANCIS G. ESCUDERO**

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AN ACT  
PROVIDING AN INCREASE AND AN 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:*

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

5  
6 Concomitantly, upon the effectivity of this Act, the current PERA in the amount of  
7 Two Thousand Pesos (P2,000) per month is hereby adjusted to Four Thousand (P4,000) per  
8 month

9  
10 SEC. 2. Coverage. The PERA shall be granted to civilian government personnel  
11 whether employed by the national or local governments, appointive or elective, and whether  
12 occupying regular, contractual, or casual positions, whose positions are covered by Republic  
13 Act No. 6758, the "Compensation and Position Classification Act of 1989," as amended, as  
14 well as military and uniformed personnel, Provided, That government personnel stationed  
15 abroad already receiving overseas allowances shall not be entitled to the provisions of this  
16 Act.

17  
18 SEC. 3. Appropriations. For the first year of the implementation of this Act, funds  
19 necessary for the PERA of national and local government agencies shall be charged against  
20 savings, which for this purpose includes unreleased appropriations and other programmed  
21 appropriations. Thereafter, the amount necessary shall be provided in the annual General  
22 Appropriations Act.

23  
24 SEC. 4. Implementing Rules and Regulations. The Department of Budget and  
25 Management shall issue the corresponding implementing rules and regulations within fifteen  
26 days from the effectivity of this Act.

27  
28 SEC. 5. Repealing Clause. All laws, decrees, resolutions, orders, or parts thereof  
29 inconsistent with this Act are hereby repealed, amended or modified accordingly.

30  
31 SEC. 6. Effectivity. This Act shall take effect fifteen (15) days after the publication in  
32 the Official Gazette or in one newspaper off general circulation.

33  
34 *Approved,*