


THIRTEENTH CONGRESS OF THE REPUBLIC )  
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SENATE

RECEIVED BY: Senate Bill No. 1400

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Introduced by Senator Francis N. Pangilinan

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### EXPLANATORY NOTE

In 1990, government workers received an emergency allowance to serve as buffer against the skyrocketing prices of commodities brought about by the oil price hikes and the Middle East crisis.

The Personnel Economic Relief Allowance (PERA), a subsidy of P1,000 per month, was granted to all government workers to "temporarily" assist them "make ends meet" until after the crisis was over. However, after the Middle East crisis, the country was faced with other concerns such as higher gasoline prices, increased in transportation fares and increased prices of basic commodities. These have further plunged the people into harder and tougher conditions.

Over the last decade, prices of goods have more than doubled, while the purchasing power of the peso has eroded by more than 60 percent. A peso in 1988 could only buy around 40 centavos of goods today.

Thus, it is imperative to immediately address the need to augment the earnings of the government workers by way of increasing the PERA from P1,000 to P2,000.

The budget outlay for this proposal is admittedly huge, as Government has to provide for the country's 1.5 million civil servants. But still the amount is a miniscule percentage of the country's national budget compared to what government pays our foreign creditor banks annually.

It is about time the government increases the PERA of civil servants to motivate and stimulate them to perform and deliver services more efficiently for the national good. Likewise, the incentives of this nature would enhance government workers' attitude toward work since an increase in the PERA would one way or another address the financial concerns of the government workers.

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

  
FRANCIS N. PANGILINAN



unexpended balances of CY 2003 Internal Revenue Allotments (IRAs) to LGUs which are hereby authorized to be realigned for the purpose. Thereafter, the amount necessary shall be provided in their respective annual budgets.

For government-owned and/or controlled corporations, the benefit shall be charged against their respective corporate funds.

**SECTION 4. *Implementing Rules and Regulations.*** - The Department of Budget and Management shall issue the implementing rules and regulations within one (1) week from the approval of this Act.

**SECTION 5. *Effectivity.*** - This Act shall take effect upon its approval.

*Approved,*