

NINETEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES Second Regular Session

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SENATE S. No. <u>2504</u>

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Introduced by Senator Christopher Lawrence "Bong" T. Go

AN ACT INCREASING THE SALARY SCHEDULE OF CIVILIAN PERSONNEL IN THE GOVERNMENT, AND FOR OTHER PURPOSES

EXPLANATORY NOTE

In recognition of their invaluable contributions, our civil servants, the people who dedicate their everyday lives to the service of the Filipino people, must be given an opportunity to pursue a career in the service that would allow them to enjoy competitive wages, enough to address their personal needs and that of their families.

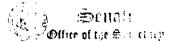
As of October 2023, according to the Philippine Statistics Authority, year-todate inflation rate stood at 6.4%; this is still above the government's ceiling of 2% to 4%. Considering the rise in prices of goods and services, a substantial wage increase will help improve the welfare of government workers and ease the effects of the rising cost of living.

While the last tranche of the Salary Standardization Law 5 is still currently being implemented this year, the government must always review the salaries it provides to civilian employees so that it can maintain the attractiveness of government service and reduce the possibility of corruption. Having a competitive compensation in government service not only improves the lives of government employees, but it also attracts employees with expertise and skill. It dignifies work in the government.

This bill mandates the Department of Budget and Management to formulate a modified Salary Schedule for Civilian Personnel, reflecting an increase to be implemented in four tranches. It is our aim that through this measure, the government will be able to further recognize the commitment and dedication of government workers in the delivery of programs and services to the Filipino people.

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

SENATOR CHRISTOPHER LAWRENCE "BONG" T. GO



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Introduced by Senator Christopher Lawrence "Bong" T. Go

AN ACT

INCREASING THE SALARY SCHEDULE OF CIVILIAN PERSONNEL IN THE GOVERNMENT, AND FOR OTHER PURPOSES

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

SECTION 1. Short Title. - This Act shall be known as the "Salary Standardization
 Law VI."

SEC. 2. *Declaration of Policy*. - Pursuant to Section 5, Section IX-B of the Constitution, it is hereby declared the policy of the State to provide for the standardization of the compensation of all government officials and employees taking into account the nature of the responsibilities pertaining to, and the qualifications required for, their positions, thereby strengthening the government's merit and reward system.

SEC. 3. *Coverage.* – This Act shall apply to all civilian government personnel in
the Executive, Legislative and Judicial Branches, Constitutional Commissions, and
other Constitutional Offices, government-owned or -controlled corporations (GOCCs)
not covered by Republic Act (R.A.) No. 10149, and local government units (LGUs).
This shall cover government personnel whether regular, contractual or casual,
appointive or elective, and on full-time or part-time basis.

SEC. 4. *Exclusions.* - The following shall be excluded from the coverage of this
 Act:

17 (a) Military and uniformed personnel; and

(b) GOCCs under R.A. No. 10149 which shall be covered by a Compensation and
 Position Classification System (CPCS) established by the Governance
 Commission for GOCCs (GCG) and approved by the President of the Philippines.

4 **SEC. 5.** *Salary Increase. -* The Department of Budget and Management shall 5 formulate a modified Salary Schedule for Civilian Personnel, reflecting an increase to 6 be implemented in four tranches which shall take into consideration the following:

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(a) Differences in pay shall be based upon substantive differences in duties, responsibilities, accountabilities and qualification requirements of the positions;

- (b) The compensation for all civilian government personnel shall be
 standardized and rationalized across all government agencies to create an
 enabling environment that will promote social justice, integrity, efficiency,
 productivity, accountability and excellence in the civil service; and
- (c) The compensation of all civilian personnel shall generally be competitive
 with those in the private sector doing comparable work to attract, retain
 and motivate a corps of competent and dedicated civil servants.

17 **SEC. 6.** *Compensation System.* - The Total Compensation Framework 18 established under Republic Act No. 11466, consisting of the following components, 19 shall continue to be adopted:

- 20 (a) Basic Salaries including Step Increments;
- 21 (b) Position classification System;
- 22 (c) Standard Allowances and Benefits;
- 23 (d) Specific-Purpose Allowances and Benefits; and
- 24 (e) Incentives.

25 SEC. 7. Compensation Adjustment for Personnel of Local Government 26 Units. - The Compensation Framework for Personnel of Local Government Units

established under Republic Act No. 11466 shall continue to be adopted.

SEC. 8. *Implementation Schedule*. – For personnel of National Government Agencies (NGAs), the Modified Salary Schedule shall be implemented in four (4) tranches, with the first tranche beginning on January 1, 2024, the second tranche beginning on January 1, 2025, the third tranche beginning on January 1, 2026, and the fourth tranche beginning on January 1, 2027. For personnel of GOCCs and LGUs, the implementation period shall be not less than four (4) years depending on their financial capabilities: Provided, That the initial implementation shall not be earlier than January 1, 2024.

SEC. 9. *Exempt Entities.* — Exempt entities refer to: (i) government agencies that are not covered by the Compensation and Position Classification System (CPCS) authorized under R.A. No. 6758, as amended; (ii) GOCCs governed by the CPCS established by GCG under R.A. No. 10149; and (iii) those authorized by law and have adopted their own compensation and position classification system.

9 Exempt entities shall be governed by their respective compensation and position 10 classification systems which shall be made effective upon the recommendation of the 11 DBM or GCG, as the case may be, and approval by the President of the Philippines.

SEC. 9. *Applicability to Certain Officials*. - Pursuant to Section 6 of Article VII and Section 10 of Article VI of the Constitution, the salaries authorized herein for the President of the Philippines, Vice-President of the Philippines and Members of Congress shall take effect only after the expiration of the respective terms of the present incumbents.

SEC. 10. *Funding Sources*. - The funding sources for the amounts necessary to
 implement this Act shall be as follows:

- (a) For NGAs, the amount needed for the salary adjustment in FY 2024 shall
 be charged against any available appropriations in the FY 2024 General
 Appropriations Act and any other available and valid appropriations.
 Thereafter, such amounts as needed shall be included in the annual General
 Appropriations Act;
- (b) For GOCCs, the amounts shall come from their respective corporate funds
 in the corporate operating budgets approved by DBM. GOCCs which do not
 have sufficient funds shall only partially implement the rates of
 compensation to be formulated by the DBM: Provided, That any partial
 implementation shall be at uniform proportion of such rates for all
 positions in each GOCC;
- 30 (c) For LGUs, the amounts shall be charged against their respective local
 31 government funds in accordance with the pertinent provisions of R.A. No.
 32 11466 and R.A. No. 7160.

SEC. 11. *Implementing Rules and Regulations*. - The DBM shall issue the
 guidelines necessary to implement specific provisions of this Act.

SEC. 13. Separability Clause. - If any provision of this Act is held invalid or
 unconstitutional, the same shall not affect the validity and effectivity of the other
 provisions hereof.

6 SEC. 14. Applicability of Presidential Decree No. 985 as Amended by

7 **Presidential Decree No. 1597 and Other Related Laws. -** All provisions of P. D.

8 No. 985, as amended by P.D. No. 1597, R.A. No. 6758, Congress Joint Resolution No.

9 1, s. 1994, Congress Joint Resolution No. 4, s. 2009, and Executive Order No. 201, s.

10 2016, R.A. No. 11466 which are not inconsistent with, expressly modified, revoked or

11 repealed in this Act shall continue to be in full force and effect.

SEC. 15. *Effectivity. -* This Act shall take effect fifteen (15) days after its
 publication in the Official Gazette or in a newspaper of general circulation.

Approved,