

SENATE

COMMITTEE REPORT NO. 562

Submitted by the Committee ^{Chair} on Finance on AUG 24 2009

Re: Senate Joint Resolution No. 25

Recommending its approval with amendments.

Sponsor: Senator Edgardo J. Angara

Mr. President:

The Committee on Finance, to which was referred Senate Joint Resolution No. 25, introduced by Senate Majority Leader Juan Miguel F. Zubiri, entitled:

JOINT RESOLUTION GRANTING CONGRESSIONAL APPROVAL FOR THE NATIONAL POWER CORPORATION (NPC) TO IMPLEMENT THE HARMONIZED COMPENSATION PLAN APPROVED BY THE OFFICE OF THE PRESIDENT FOR TRANSCO, PSALM AND NPC EMPLOYEES


has considered the same and has the honor to report it back to the Senate with the recommendation that it be approved with amendments, as follows:

1. On page 1, line 2, before the word "the" delete the phrase "harmonized compensation plan for" and in lieu thereof, insert the phrase **GRANT OF A TEN PERCENT (10%) SALARY INCREASE/ADJUSTMENT TO;**
2. On page 1, line 4, between the close parenthesis ")" and the semi-colon ";" insert the phrase **EFFECTIVE JULY 1, 2008;**
3. On page 1, delete lines 6 to 7;
4. On page 1, line 11, between the comma (,) and the word "in" insert the phrase **IT SHALL BE INCLUDED;**
5. On page 1, between lines 13 and 14, insert the following: **WHEREAS, THE SAID TEN PERCENT (10%) SALARY INCREASE/ADJUSTMENT HAD ALREADY BEEN IMPLEMENTED BY TRANSCO AND PSALM ON MARCH 2009 WHILE NPC CANNOT IMPLEMENT THE SALARY INCREASE/ADJUSTMENT PENDING ITS COMPLIANCE WITH THE CONDITIONS REQUIRED IN THE GRANT AND PAYMENT OF ADDITIONAL COMPENSATION;**

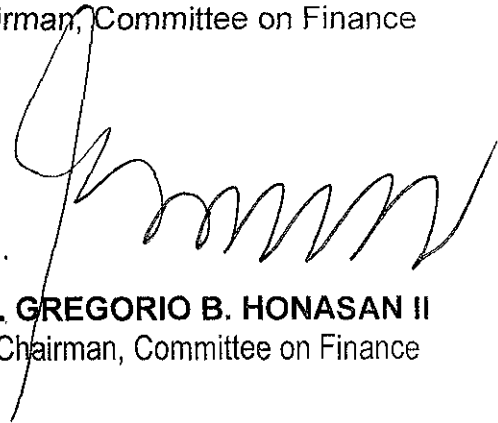
6. On page 1, line 14, between the figure "2008" and the word "explicitly" delete the phrase "Budget under RA 9498" and in lieu thereof, insert the phrase **NPC BUDGET UNDER REPUBLIC ACT NO. 9498, THE FY 2008 GENERAL APPROPRIATIONS ACT;**
7. On page 1, between lines 17 and 18, insert the following: **WHEREAS THE SOURCE OF FUND FOR THE IMPLEMENTATION OF ANY SALARY INCREASE/ADJUSTMENT FOR FY 2008 IS FURTHER RESTRICTED BY SPECIAL PROVISION NO. 1, OF THE FY 2008 NPC BUDGET UNDER R.A. NO. 9498, WHICH PROVIDES THAT APPROPRIATIONS FOR PERSONAL SERVICES SHALL NOT BE AUGMENTED BY SAVINGS FROM MAINTENANCE AND OTHER OPERATING EXPENSES AND CAPITAL OUTLAYS, OR BY NEW FUNDING SOURCES;**
8. Delete lines 19 to 24 and in lieu thereof, insert the following: **WHEREAS. THE SALARY INCREASE/ADJUSTMENT CANNOT ALSO BE IMPLEMENTED IN FY 2009 CONSIDERING THAT A CONDITION WAS IMPOSED BY SPECIAL PROVISION NO. 1, OF THE FY 2009 NPC BUDGET UNDER RA 9524, THE FY 2009 GENERAL APPROPRIATIONS ACT, WHICH PROVIDES THAT: "APPROPRIATIONS FOR PERSONAL SERVICES MAY BE AUGMENTED BY SAVINGS FROM THE CORPORATE BUDGET FOR ANY SALARY INCREASE/ADDITIONAL PERSONAL BENEFITS AS APPROVED BY CONGRESS."**;
9. On page 1, line 27, between the words "grant" and "of" insert the phrase **AND PAYMENT;**
10. On page 1, delete lines 30 to 34;
11. On page 2, line 1, between the words "to" and "the" delete the word "seek" and in lieu thereof, insert the word **GRANT**
12. On page 2, line 2, between the word "said" and the period (.) delete the phrase "harmonized compensation plan" and in lieu thereof, insert the phrase **TEN PERCENT (10%) SALARY INCREASE/ADJUSTMENT;**
13. On page 2, line 3, between the words "therefore" and "be" insert a comma (,).
14. On page 2, line 3, after the word "it" add a colon (:);
15. On page 2, delete lines 5 to 8 and in lieu thereof, insert the following: **RESOLVED, AS IT IS HEREBY RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES, THAT THE CONGRESSIONAL APPROVAL REQUIRED BEFORE THE NATIONAL POWER CORPORATION CAN IMPLEMENT THE TEN PERCENT (10%) SALARY INCREASE/ADJUSTMENT IN ACCORDANCE WITH THE APPROVED SALARY SCHEDULE FOR OFFICERS AND EMPLOYEES OF THE TRANSCO, PSALM AND NPC BE GRANTED: PROVIDED, THAT THE SOURCE OF FUND FOR THE SALARY INCREASE/ADJUSTMENT IN FY 2008 SHALL COME FROM SAVINGS IN PERSONAL SERVICES OF THE SAME YEAR, IN COMPLIANCE WITH SPECIAL PROVISION NO. 1 OF THE NPC BUDGET UNDER R.A. NO. 9498: PROVIDED, FURTHER, THAT THE NPC SHALL SUBMIT TO CONGRESS AND TO THE DEPARTMENT OF BUDGET AND MANAGEMENT ITS EXISTING COMPENSATION AND POSITION CLASSIFICATION SYSTEM. INCLUDING THE STATUS OF ITS IMPLEMENTATION.**

16. The title of the joint resolution is hereby amended to read as follows:
JOINT RESOLUTION GRANTING CONGRESSIONAL APPROVAL FOR THE NATIONAL POWER CORPORATION (NPC) TO IMPLEMENT THE TEN PERCENT (10%) SALARY INCREASE/ADJUSTMENT FOR ITS OFFICERS AND EMPLOYEES IN ACCORDANCE WITH THE SALARY SCHEDULE APPROVED BY THE OFFICE OF THE PRESIDENT FOR TRANSCO, PSALM AND NPC EMPLOYEES

RESPECTFULLY SUBMITTED



SEN. EDGARDO J. ANGARA
Chairman, Committee on Finance



SEN. GREGORIO B. HONASAN II
Vice Chairman, Committee on Finance

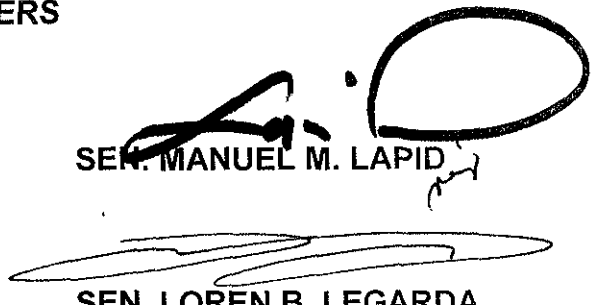
SEN. JOKER P ARROYO
Vice Chairman, Committee on Finance

MEMBERS

SEN. BENIGNO S. AQUINO III



SEN. MANUEL M. LAPID



SEN. RODOLFO G. BIAZON

SEN. LOREN B. LEGARDA

Employment should get more just as was given to govt employees under SS23.
SEN. ALLAN PETER S. CAYETANO

SEN. M. A. MADRIGAL

SEN. PIA S. CAYETANO

SEN. FRANCIS N. PANGILINAN

SEN. MIRIAM DEFENSOR SANTIAGO

SEN. RAMON B. REVILLA, JR.

with interpretation a amendment
SEN. RICHARD J. GORDON

SEN. MAR ROXAS

SEN. PANFILO M. LACSON



SEN. ANTONIO F. TRILLANES, IV

SEN. MANNY VILLAR

EX-OFFICIO MEMBERS

SEN. JINGGOY EJERCITO ESTRADA

President Pro-Tempore

SEN. JUAN MIGUEL F. ZUBIRI

Majority Leader

SEN. AQUILINO Q. PIMENTEL, JR.

Minority Leader

HON. JUAN PONCE ENRILE

President

Senate of the Philippines

Pasay City

FOURTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Third Regular Session)

SENATE

Senate Joint Resolution No. 25

Introduced by Sen. JUAN MIGUEL F. ZUBIRI

JOINT RESOLUTION GRANTING CONGRESSIONAL APPROVAL FOR THE NATIONAL POWER CORPORATION (NPC) TO IMPLEMENT THE HARMONIZED COMPENSATION PLAN APPROVED BY THE OFFICE OF THE PRESIDENT FOR TRANSCO, PSALM AND NPC EMPLOYEES

1 **WHEREAS**, the Office of the President approved on December 24, 2008 the
2 harmonized compensation plan for the officials and employees of the National Power
3 Corporation (NPC), National Transmission Corporation (Transco) and Power Sector
4 Assets and Liabilities Management Corporation (PSALM);
5

6 **WHEREAS**, the harmonized compensation plan provided for a 10% salary
7 increase/adjustment for the three (3) energy corporations to take effect July 2008;
8

9 **WHEREAS**, the approval provided that the funding requirement for the first six (6)
10 months adjustment (July-December 2008) shall be charged against the respective
11 corporate savings of the said three corporations in FY 2008 and thereafter, in their
12 respective corporate operating budget (COB);
13

14 **WHEREAS**, Special Provision No. 5 of the FY 2008 Budget under RA 9498 explicitly
15 states that: "No amounts authorized herein shall be used to cover payment of
16 new/additional cash compensation such as salaries and allowances, unless approved
17 by Congress."
18

19 **WHEREAS**, the salary increase for FY 2009 cannot be also implemented considering
20 that a similar requirement was imposed by Special Provision No. 1, FY 2009 NPC
21 Budget under RA 9524, otherwise known as General Appropriations Act of 2009, which
22 provides that "Appropriations for personal services may be augmented by savings from
23 the corporate budget for any salary increase/additional personal benefits **as approved**
24 **by Congress.**"
25

26 **WHEREAS**, Congressional approval in both instances is a condition *sine qua non* to
27 any grant of new/additional cash compensation such as salaries and allowances for
28 NPC;
29

30 **WHEREAS**, the said harmonized compensation plan had already been implemented by
31 PSALM and TRANSCO beginning March 2009;
32

33 **WHEREAS**, NPC cannot implement the aforesaid salary increase/adjustment pending
34 compliance with the abovementioned restrictions;

1 **WHEREAS**, the foregoing considered, there is a necessity to seek the requisite
2 congressional approval to implement the said harmonized compensation plan. Now.
3 therefore, be it

4
5 **Resolved**, as it is hereby resolved by the Senate and the House of
6 Representatives, that the congressional approval requested by the National Power
7 Corporation to implement the 10% salary adjustment approved by the Office of the
8 President be granted.

9
10 **Approved**,