Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
Third Regular Session

HOUSE BILL No. 9922

Introduced by
BAYAN MUNA Representatives FERDINAND R. GAITE,
CARLOS ISAGANI T. ZARATE and EUFEMIA C. CULLAMAT,
ACT TEACHERS Party-List Representative FRANCIS L. CASTRO,
GABRIELA Women’s Party Representative ARLENE D. BROSAS
and KABATAAN Party-List Representative SARAH JANE I. ELAGO

AN ACT
PROVIDING PHP 3,000 MONTHLY INFLATION ADJUSTMENT ALLOWANCE
FOR ALL GOVERNMENT WORKERS AND APPROPRIATING FUNDS
THEREFOR

EXPLANATORY NOTE

Government workers are in the frontline of government services provision, with or without pandemic. Like the workers in private sector and the Filipino public, government workers suffered from the effects of the COVID-19 pandemic.

Bound by their sworn duties, government workers performed their tasks to provide government services for the people despite being exposed to risks of the pandemic. According to the Civil Service Commission, as of July 7, 2021, at least 90,739 employees have contracted the COVID-19 resulting to 1,283 deaths. Yet, not all workers were adequately supported by the government. As the employer, the government has the responsibility to promote the welfare, assure health and safety, and provide the needs of government workers.

Article II Section 18 of the Constitution provides that “the State affirms labor as a primary social economic force. It shall protect the rights of workers and promote their welfare.”

Further, Article XIII Section 3 of the Constitution provides that “…They shall be entitled to security of tenure, humane conditions of work, and a living wage…”

The COVID-19 pandemic provided additional hardship and expenses to government workers. Employees were required to wear personal protective equipment (PPEs) and practice all the minimum health protocols. However not all were provided free PPEs, mass testing and treatment. Free transportation and accommodation were likewise not provided for all, even during the Enhanced Community Quarantine when public transportation were very limited. Worse, many job orders (JOs) and contract of service (COS) workers lost their jobs during the pandemic as a result of non-renewal of contracts and suspension of projects.

The inflation, hitting 4.5 percent in April 2021, was worsened by the pandemic and reduced
economic activity. This is the same rate recorded in March 2021 and 2.3 percentage points higher compared to the previous year. Inflation eroded the purchasing power of the peso by at least PhP 100 daily for minimum wage earners.

Needless to say, the situation made life for low-income government workers and their families more difficult.

Even before the pandemic, government workers were already complaining of inadequate salaries. The current PhP 12,034 minimum salary for government workers is a far cry from the family living wage of PhP 33,570 per month (or PhP 1,119 per day) for a family of six.

According to the International Labour Organization (ILO) Global Wage Report 2020-21. Wages and minimum wages in the time of COVID-19, “the Minimum Wage Fixing Convention, 1970 (No. 131), stipulates that, to maintain their relevance, minimum wages should be "adjusted from time to time" (Article 4). Failure to do so may lead to an erosion of the purchasing power of workers who earn the minimum wage when prices of goods and services are rising, or to more wage inequality when the general level of wages is increasing more rapidly than the minimum wage.”

Government workers continue to push for PhP 16,000 per month national minimum wage. In the immediate however, they are calling for additional allowances to help them to cope with the COVID-19 pandemic and high inflation rate in our country. While not at par with what is considered as the “living wage”, the proposed PhP 3,000 monthly inflation adjustment allowance is meant to compensate the decline in purchasing power and to help ease the impact of the COVID-19 pandemic.

The PhP 3,000 monthly inflation adjustment allowance to all government workers will not only help them to tide over these difficult times but will also inspire them to continually provide and enhance the provision of government services for our people.

Thus, the immediate passage of this bill is earnestly sought.

Approved,

REP. FERDINAND R. GAITE
Bayan Muna Partylist

REP. CARLOS ISAGANI T. ZARATE
Bayan Muna Partylist

REP. EUFEMIA C. CULLAMAT
Bayan Muna Partylist
REP. FRANCE L. CASTRO  
*ACT Teachers Partylist*

REP. SARAH JANE I. ELAGO  
*Kabataan Partylist*

REP. ARLENE D. BROSAS  
*GABRIELA Women's Party*
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Be it enacted by the Senate and House of Representatives of the Republic of the Philippines in Congress assembled:

SECTION 1. Short Title – This Act shall be known as the “Php 3,000 Monthly Inflation Adjustment Allowance Act”.

SECTION 2. Declaration of Policy – It is hereby declared the policy of the State to alleviate the living condition of government workers and to guarantee their right to a living wage. The State shall protect and promote the rights and welfare of workers in the public sector.

SECTION 3. Provision of Monthly Inflation Adjustment Allowance – An amount equivalent to Three Thousand Pesos (PhP 3,000) per month which shall be called Monthly Inflation Adjustment Allowance, shall be given to all government workers regardless of employment status.

The inflation adjustment allowance shall be given in addition to existing allowances and benefits provided to government workers under existing laws and regulations.

SECTION 4. Coverage – The Inflation Adjustment Allowance prescribed in this Act shall apply to all government workers regardless of their position, designation, status and salary grade level.

These will include all permanent, casual, temporary, appointive, Job Orders (JOs) and Contract of Service (COS) workers.

SECTION 5. No Diminution of Benefits – Nothing in this Act shall be construed to reduce any existing allowances and benefits of any form under existing laws, decrees, executive orders, issuances, rules and regulations.

SECTION 6. Sources of Fundings – The amount necessary for the initial implementation of this Act for the year 2021 shall be sourced from:

(a) Savings generated by the different departments, bureaus, offices and agencies of the
government from the General Appropriations Act (GAA) FY 2021:

i. For NGAs, including SUCs, the amount required shall be charged against the available released Personnel Services (PS) allotments of the respective agencies under FY 2021 General Appropriations Act (GAA).

ii. For GOCCs, the amount required shall be charged against their respective approved corporate operating budgets (COBs) for FY 2021.

iii. For Legislative and Judicial Departments, the amount required shall be charged against the available released allotments of their respective agencies.

iv. For the LGUs, the amount required shall be charged against their respective FY 2021 local government funds.

v. For Local Water Districts (LWDs), the amount required shall be charged against their respective BOD-approved FY 2021 COBs.

(b) Savings from Republic Act No. 11494, otherwise known as “Bayanihan to Recover as One Act”;

c) Unobligated and unutilized funds from the Barangay Development Program (BDP) of the National Task Force to End Local Communists Armed Conflict (NTF ELCAC);

d) Unused appropriation for debt servicing: Notwithstanding any law to the contrary, the President of the Philippines may direct the discontinuance of unutilized automatic appropriations for the debt service and use the savings generated therefrom to augment allocation for the purpose of this Act; and

e) Unused funds from foreign loans provided for government’s wage subsidy and social protection programs.

Provided that, for the succeeding years, the amount necessary shall be included in the annual General Appropriations Act.

SECTION 7. Separability Clause – If any provisions of this Act is declared invalid or unconstitutional, other provisions hereof which are not affected thereby shall continue to be in full force and effect.

SECTION 8. Repealing Clause – All laws, decrees, orders, issuances, rules and regulations or part thereof inconsistent with the provisions of this Act are hereby repealed, amended or modified accordingly.

SECTION 9. Effectivity Clause – This Act shall take effect within fifteen (15) days after its publication in the Official Gazette or in at least two (2) newspapers of general circulation, whichever comes earlier.

Approved,