

Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City

**EIGHTEENTH CONGRESS**  
First Regular Session

**HOUSE BILL NO. 2548**



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Introduced by **HON. LUIS RAYMUND "LRAY" F. VILLAFUERTE, JR.**

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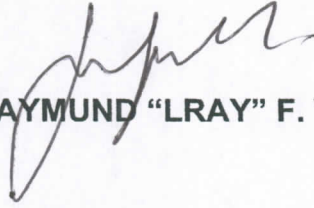
**EXPLANATORY NOTE**

The Philippine government is one of the country's biggest employer, employing over 2.4 million civilian personnel in 2017, including job orders and contract of service workers. Civil servants are the foundation of a well-oiled machine that helps run the country and ensure that every Filipino is taken cared for by its government.

An average of 200,000 people take the Civil Service Commission's Civil Service Examination, held twice a year, in hopes of getting eligibility to work for the government. In March of 2018, only 10% of the over 230,000 examinees passed the Career Service Professional examinations. This method of competitive recruitment for government workers aim to attract the cream of the crop. An adjustment to the current salary grade system would compel prospective employees to join the government workforce and help retain our competent and capable public servants.

This measure aims to give civil servants what is due to them and simultaneously attract future civil servants to a fruitful career in the civil service. Through the Compensation Adjustment Strategy being proposed herein, the existing Compensation and Position Classification System in civil service is revised to reflect the changing times and updated accordingly to make it competitive with the private sector. The resulting modified Salary Schedule shall apply to all civilian personnel, including a special compensation adjustment for LGU personnel.

The bill is a counterpart to Senator's Bong Go's version in the Senate and hopes to uplift those who answered the call to serve.



**LUIS RAYMUND "LRAY" F. VILLAFUERTE, JR.**

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**AN ACT**  
**MODIFYING THE SALARY SCHEDULE FOR CIVILIAN**  
**GOVERNMENT PERSONNEL**

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

SECTION 1. *Declaration of Policy.* — It is the declared policy of the State, under Section 5 Article IX-B of the Constitution, to provide for the standardization of compensation of government officials and employees, including those in government-owned or -controlled corporations with original charters, taking into account the nature of the responsibilities pertaining to and the qualifications required for their positions.

SECTION 2. *Compensation Adjustment Strategy.* — The existing Compensation and Position Classification System (CPCS) is hereby revised or updated to conform with the following:

- a) The adoption of a compensation structure for all civilian government personnel that is highly competitive with the private sector, with the end in view of attracting, retaining and motivating a corps of highly competent and highly productive civil servants;
- b) Raising of the minimum salary for Salary Grade 1 from the current rate of Eleven Thousand Sixty Eight Pesos (P11,068) to Eleven Thousand Six Hundred Fifty Six Pesos (P11,656) to make the current CPCS even more competitive with the market rates.



SECTION 3. *Coverage.* — The modified Salary Schedule authorized herein shall apply to all civilian personnel in the Executive, Legislative and Judicial Branches, Constitutional Commissions and other Constitutional Offices, Government-Owned or Controlled Corporations (GOCCs) not covered by RA No. 10149, and local government units (LGUs); regardless of appointment status, whether regular, contractual or casual; appointive or elective; and on full-time or part-time basis, as herein provided.

However, individuals whose services are engaged through job orders, contracts of service, consultancy contracts, and service contracts with no employer-employee relationship are excluded from the salary increase authorized herein.

SECTION 4. *Modified Salary Schedule for Civilian Personnel.* — The modified Salary Schedule for Civilian Personnel shall be as follows:

Salary Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
1	11,656	11,747	11,842	11,935	12,031	12,122	12,222	12,319
2	12,348	12,436	12,524	12,614	12,702	12,793	12,885	12,975
3	13,042	13,137	13,223	13,323	13,418	13,512	13,610	13,705
4	13,777	13,876	13,974	14,074	14,173	14,274	14,376	14,478
5	14,553	14,642	14,760	14,866	14,970	15,077	15,184	15,292
6	15,371	15,481	15,590	15,702	15,813	15,926	16,039	16,153
7	16,236	16,353	16,468	16,585	16,703	16,823	16,941	17,061
8	17,248	17,401	17,555	17,707	17,863	18,021	18,179	18,339
9	18,491	18,638	18,786	18,936	19,086	19,237	19,390	19,545
10	19,762	19,920	20,078	20,238	20,395	20,546	20,723	20,888
11	21,345	21,657	21,975	22,297	22,620	22,953	23,288	23,630
12	23,755	24,064	24,375	24,692	25,014	25,338	25,667	26,001
13	26,283	26,623	26,967	27,320	27,674	28,033	28,396	28,766
14	29,075	29,454	29,838	30,224	30,616	31,015	31,416	31,825
15	32,131	32,539	32,956	33,375	33,799	34,232	34,667	35,108
16	35,505	34,960	36,417	36,789	37,352	37,827	38,308	38,794
17	39,237	39,737	40,241	40,757	41,275	41,288	42,331	42,874
18	43,360	43,911	44,469	45,038	45,612	46,192	46,779	47,373
19	48,676	49,540	50,414	51,303	52,214	53,129	54,067	55,021
20	55,633	56,614	57,614	58,630	59,667	60,720	61,792	62,883



21	63,578	64,707	65,844	67,007	68,191	69,395	70,622	71,871
22	72,665	73,950	75,250	76,580	77,934	79,314	80,707	82,134
23	83,027	84,505	86,001	87,521	89,062	90,639	92,306	93,866
24	94,909	96,579	98,290	100,019	101,792	103,584	105,419	107,275
25	109,666	111,603	113,574	115,579	117,620	119,697	121,811	123,962
26	125,333	127,547	129,800	132,089	134,421	136,795	139,210	141,670
27	143,239	145,765	148,340	150,960	153,622	156,339	159,096	161,901
28	163,698	166,589	169,530	172,524	175,570	178,673	181,829	185,041
29	187,076	190,383	193,747	197,172	200,658	204,206	207,790	211,491
30	213,821	217,577	221,426	225,344	229,330	233,360	237,460	241,693
31	335,383	342,669	350,097	357,682	365,440	373,360	381,450	389,722
32	403,981	413,057	422,338	431,830	441,531	451,454	461,602	471,973
33	520,445	536,059						

SECTION 5. *Compensation Adjustment for LGU Personnel.* — The modified Salary Schedule authorized herein for civilian personnel may likewise be granted to LGU personnel, subject to the following:

- a) Authorization from their respective sanggunian as provided under Sections 447(a), 458(a) and 468(a) of RA No. 7160; and
- b) Compliance with the Personnel Services (PS) limitation set under Sections 325 and 331 of RA No. 7160.

LGUs shall likewise comply with the following rule in the implementation of the modified salary schedule:

- i. The implementation of the modified Salary Schedule for LGU personnel, including the rate of Representation and Transportation Allowances, shall further correspond to the LGU's income classification and shall not therefore exceed the percentage of the Salary Schedule in Section 3 hereof, as follows:

Percentage of the Salary Schedules		
	For Provinces/Cities	For Municipalities
Special Cities	100%	
1 <sup>st</sup> Class	100%	90%
2 <sup>nd</sup> Class	95%	85%



3 <sup>rd</sup> Class	90%	80%
4 <sup>th</sup> Class	85%	75%
5 <sup>th</sup> Class	80%	70%
6 <sup>th</sup> Class	75%	65%

SECTION 6. *Implementation Schedule.* — The modified Salary Schedule for civilian personnel authorized herein shall be implemented in National Government Agencies, subject to appropriations by Congress, beginning January 1, 2020.

For covered GOCCs and LGUs, the implementation of the compensation adjustments shall begin on January 1, 2020 depending on their respective financial capability. GOCCs and LGUs which do not have adequate or sufficient funds shall partially implement the modified Salary Schedule. In case of partial implementation, the same shall be at uniform percentage across all positions for every GOCC/LGU.

SECTION 7. *Retroactive Application.* — The implementation of the modified Salary Schedule for civilian personnel, shall be effective January 1, 2020. For covered GOCCs and LGUs, the retroactive application shall be subject to their financial capabilities and compliance with other requirements under existing laws.

SECTION 8. *Exempt Entities.* — The following exempt entities shall not be covered by the modified Salary Schedule authorized herein:

- (i) Government agencies, including GOCCs that are exempted from the coverage of RA No. 6758, as amended, as provided in their respective enabling law or charter; and
- (ii) GOCCs governed by the CPCS established by the Governance Commission for GOCCs (GCG) and approved by the President of the Philippines, under RA No. 10149.

They shall be governed by their respective CPCS which shall be made effective upon the recommendation of the Department of Budget and Management (DBM) or the GCG, as the case may be, and approval by the President of the Philippines.

SECTION 9. *Applicability to Certain Officials.* — Consistent with the policy under Section 6 of Article VII and Section 10 of Article VI of the Constitution, the salaries authorized herein for the President, Vice President and Members of Congress shall take effect only after the expiration of the respective terms of the incumbents. The implementation of this Act with respect to the regular members of the Cabinet

shall be effective starting July 1, 2020.

SECTION 10. *Funding Source.* — The funding sources for the amounts necessary to implement this Act shall be as follows:

- a) For national government agencies, the amount needed for the compensation adjustment for the year 2020 shall be charged against appropriations to be provided in the 2020 General Appropriations Act (GAA). The DBM, following the compensation adjustment strategy embodied in Section 2 hereof, and consistent with its authority under Section 7 of RA No. 6758, as amended, shall then be authorized to implement or adjust the compensation corresponding to the appropriations provided in the GAA.
- b) For GOCCs, the amounts shall come from their respective corporate funds in the corporate operating budgets approved by DBM.
- c) For LGUs, the amounts shall be charged against their respective funds in accordance with the pertinent provisions of this Act and RA No. 7160.

SECTION 11. *Implementing Guidelines.* — The DBM, within 30 days from the effectivity of the FY 2020 GAA, shall issue the guidelines necessary to implement the provisions of this Act.

SECTION 12. *Separability Clause.* — Should any provision of this Act be declared invalid or unconstitutional, the other provisions unaffected thereby shall remain valid and subsisting.

SECTION 13. *Repealing Clause.* — All other laws, decrees, executive orders, proclamations and other executive issuances, which are not consistent with or contrary to the provisions of this Act, are hereby repealed or amended.

SECTION 14. *Effectivity Clause.* — This Act shall take effect fifteen (15) days after its complete publication in the Official Gazzette or in a newspaper of general circulation.

Approved,