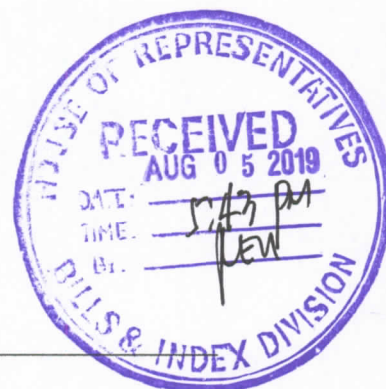


HOUSE OF REPRESENTATIVES

H. B. No. 3436



Introduced by Rep. Vilma Santos-Recto
6th District of Batangas

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

EXPLANATORY NOTE

1
2 This bill seeks to improve the purchasing power of approximately 1.42 million civil
3 servants¹ in the country that was eroded by inflation by providing an increase in the salary of
4 government officials and employees.

5
6 It also aims to attract and retain competent and committed civil servants and promote
7 performance-based work among the public sector workers.

8
9 By virtue of Executive Order No. 201, the national government implemented the
10 salary adjustments and additional benefits for government employees which was further
11 amended by Executive Order No. 76 dated March 15, 2019. The modified Salary Schedule
12 was implemented in four tranches from January 1, 2016 to April 1, 2019. However, the
13 adjusted salary is deemed unfair and inadequate by most government personnel especially
14 those under Salary Grades 1 to 16 which comprise about 84 percent of the government
15 workforce.

16
17 This proposal will put more money in government employees' pockets and will
18 increase disposable income, boost consumer spending, and in turn would stimulate the
19 economy and help generate more revenues.

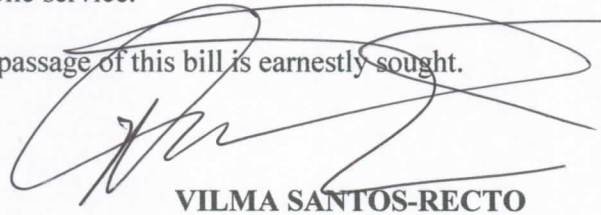
20
21 This bill mandates a three-year salary increase for government officials and
22 employees at 10% of basic salary per year. The first tranche of the salary adjustment shall be
23 implemented on January 1, 2020 and every January 1 thereafter until the final tranche in
24 2022.

25
26
27
28

¹ Table 1. Staffing Summary of the National Government. Fiscal Year 2019.

1 With this bill, the government would alleviate the living conditions of the 1.42 million
2 public servants. Consequently, the much-needed relief that this measure offers will further
3 motivate government personnel and invigorate public service.

With the foregoing considered, immediate passage of this bill is earnestly sought.



VILMA SANTOS-RECTO

HOUSE OF REPRESENTATIVES

3436

H. B. No. _____

Introduced by Rep. Vilma Santos-Recto
6th District of Batangas

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

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

1 **SECTION 1.** This Act shall be known as the “Salary Standardization Law V”.

2 **SEC. 2.** *Declaration of Policy.* Pursuant to the constitutional mandate that the State
3 shall provide for the standardization of salary of government officials and employees,
4 including those in government-owned or –controlled corporations with original charters,
5 taking into account the nature of duties and responsibilities pertaining to and the
6 qualifications required for their positions, the State shall:

7 (a) implement a salary schedule that is generally comparable with those in the
8 private-sector doing comparable work and in accordance with the provisions
9 of existing salary and position classification laws, in order to attract, retain and
10 motivate a corps of competent civil servants;

11 (b) keep the salary for government personnel fair and reasonable in recognition of
12 fiscal realities and maintain personal services cost at a reasonable proportion
13 of over-all expenditures; and

14 (c) conduct a periodic review of the salary and position classification system
15 taking-into account the changes in skills and competency requirements and
16 the possible erosion in the purchasing power due to inflation, and other
17 factors.

18 **SEC. 3.** *Coverage.* The Salary Schedule herein provided shall apply to all positions
19 for civilian government personnel in the Executive, Legislative and Judicial Branches,
20 including Constitutional Commissions, State Universities and Colleges (SUCs), Government-

Owned or -Controlled Corporations (GOCCs) not covered by RA No. 10149, Government Financial Institutions (GFIs) and local government units (LGUs), whether regular, casual or contractual in nature, appointive or elective, on full-time or part-time basis, now existing or hereafter created.

SEC. 4. Salary Schedule for Civilian Government Personnel. The modified Salary Schedule for Civilian Personnel shall be as follows:

First Tranche

| SG | Step 1 | Step 2 | Step 3 | Step 4 | Step 5 | Step 6 | Step 7 | Step 8 |
|----|---------|---------|---------|---------|---------|---------|---------|---------|
| 1 | 12,175 | 12,276 | 12,379 | 12,483 | 12,587 | 12,692 | 12,799 | 12,905 |
| 2 | 12,937 | 13,036 | 13,136 | 13,237 | 13,339 | 13,441 | 13,544 | 13,648 |
| 3 | 13,713 | 13,818 | 13,924 | 14,032 | 14,139 | 14,247 | 14,357 | 14,467 |
| 4 | 14,535 | 14,648 | 14,760 | 14,873 | 14,988 | 15,102 | 15,219 | 15,335 |
| 5 | 15,408 | 15,527 | 15,645 | 15,765 | 15,886 | 16,008 | 16,132 | 16,255 |
| 6 | 16,332 | 16,457 | 16,584 | 16,711 | 16,840 | 16,969 | 17,100 | 17,230 |
| 7 | 17,312 | 17,445 | 17,579 | 17,714 | 17,850 | 17,987 | 18,125 | 18,264 |
| 8 | 18,434 | 18,601 | 18,769 | 18,939 | 19,109 | 19,282 | 19,457 | 19,633 |
| 9 | 19,773 | 19,938 | 20,105 | 20,273 | 20,442 | 20,613 | 20,786 | 20,959 |
| 10 | 21,156 | 21,333 | 21,512 | 21,692 | 21,872 | 22,056 | 22,240 | 22,426 |
| 11 | 22,829 | 23,142 | 23,460 | 23,781 | 24,107 | 24,438 | 24,772 | 25,112 |
| 12 | 25,232 | 25,544 | 25,861 | 26,181 | 26,506 | 26,835 | 27,167 | 27,503 |
| 13 | 27,755 | 28,100 | 28,447 | 28,799 | 29,157 | 29,517 | 29,883 | 30,253 |
| 14 | 30,531 | 30,909 | 31,292 | 31,680 | 32,072 | 32,469 | 32,871 | 33,278 |
| 15 | 33,584 | 34,000 | 34,421 | 34,848 | 35,279 | 35,716 | 36,158 | 36,607 |
| 16 | 36,942 | 37,400 | 37,863 | 38,332 | 38,807 | 39,288 | 39,775 | 40,267 |
| 17 | 40,636 | 41,140 | 41,649 | 42,165 | 42,688 | 43,217 | 43,751 | 44,294 |
| 18 | 44,701 | 45,254 | 45,815 | 46,382 | 46,957 | 47,539 | 48,127 | 48,723 |
| 19 | 49,796 | 50,609 | 51,435 | 52,274 | 53,128 | 53,995 | 54,877 | 55,772 |
| 20 | 56,271 | 57,188 | 58,122 | 59,070 | 60,035 | 61,015 | 62,010 | 63,022 |
| 21 | 63,586 | 64,623 | 65,678 | 66,749 | 67,839 | 68,946 | 70,071 | 71,215 |
| 22 | 71,851 | 73,024 | 74,216 | 75,427 | 76,658 | 77,910 | 79,181 | 80,473 |
| 23 | 81,192 | 82,517 | 83,864 | 85,232 | 86,624 | 88,037 | 89,474 | 90,935 |
| 24 | 91,747 | 93,244 | 94,766 | 96,313 | 97,885 | 99,483 | 101,107 | 102,757 |
| 25 | 104,591 | 106,299 | 108,033 | 109,797 | 111,588 | 113,410 | 115,261 | 117,142 |
| 26 | 118,188 | 120,117 | 122,078 | 124,070 | 126,095 | 128,153 | 130,244 | 132,371 |
| 27 | 133,552 | 135,732 | 137,948 | 140,199 | 142,487 | 144,813 | 147,177 | 149,579 |
| 28 | 150,915 | 153,377 | 155,881 | 158,425 | 161,010 | 163,639 | 166,310 | 169,024 |

| | | | | | | | | |
|----|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| 29 | 170,53 3 | 173,31 7 | 176,14 5 | 179,02 1 | 181,94 2 | 184,91 2 | 187,93 0 | 190,99 7 |
| 30 | 192,70 2 | 195,84 7 | 199,04 4 | 202,29 3 | 205,59 4 | 208,95 1 | 212,36 1 | 215,82 7 |
| 31 | 283,59 0 | 289,12 8 | 294,77 6 | 300,53 3 | 306,40 4 | 312,38 8 | 318,49 0 | 324,71 0 |
| 32 | 338,10 2 | 344,92 0 | 351,87 6 | 358,97 2 | 366,21 1 | 373,59 6 | 381,13 1 | 388,81 7 |
| 33 | 426,90 6 | 439,71 3 | | | | | | |

Second Tranche

| SG | Step 1 | Step 2 | Step 3 | Step 4 | Step 5 | Step 6 | Step 7 | Step 8 |
|----|---------|---------|---------|---------|---------|---------|---------|---------|
| 1 | 13,392 | 13,504 | 13,617 | 13,731 | 13,846 | 13,961 | 14,078 | 14,196 |
| 2 | 14,231 | 14,340 | 14,450 | 14,561 | 14,672 | 14,785 | 14,899 | 15,012 |
| 3 | 15,084 | 15,200 | 15,316 | 15,435 | 15,553 | 15,672 | 15,793 | 15,914 |
| 4 | 15,989 | 16,112 | 16,236 | 16,360 | 16,486 | 16,612 | 16,740 | 16,869 |
| 5 | 16,948 | 17,079 | 17,210 | 17,342 | 17,475 | 17,609 | 17,745 | 17,880 |
| 6 | 17,965 | 18,103 | 18,242 | 18,382 | 18,524 | 18,665 | 18,809 | 18,953 |
| 7 | 19,043 | 19,189 | 19,337 | 19,486 | 19,635 | 19,786 | 19,937 | 20,091 |
| 8 | 20,277 | 20,461 | 20,646 | 20,833 | 21,020 | 21,210 | 21,402 | 21,596 |
| 9 | 21,750 | 21,931 | 22,115 | 22,300 | 22,487 | 22,674 | 22,864 | 23,055 |
| 10 | 23,272 | 23,467 | 23,663 | 23,861 | 24,060 | 24,262 | 24,464 | 24,668 |
| 11 | 25,112 | 25,456 | 25,806 | 26,159 | 26,517 | 26,881 | 27,249 | 27,623 |
| 12 | 27,755 | 28,099 | 28,447 | 28,799 | 29,156 | 29,518 | 29,883 | 30,254 |
| 13 | 30,531 | 30,909 | 31,292 | 31,679 | 32,072 | 32,469 | 32,871 | 33,279 |
| 14 | 33,584 | 34,000 | 34,421 | 34,848 | 35,279 | 35,716 | 36,158 | 36,606 |
| 15 | 36,943 | 37,400 | 37,863 | 38,333 | 38,807 | 39,287 | 39,774 | 40,268 |
| 16 | 40,637 | 41,140 | 41,649 | 42,165 | 42,688 | 43,216 | 43,752 | 44,293 |
| 17 | 44,700 | 45,254 | 45,814 | 46,382 | 46,956 | 47,538 | 48,127 | 48,723 |
| 18 | 49,171 | 49,779 | 50,397 | 51,020 | 51,652 | 52,293 | 52,940 | 53,596 |
| 19 | 54,775 | 55,670 | 56,578 | 57,502 | 58,441 | 59,394 | 60,364 | 61,349 |
| 20 | 61,898 | 62,907 | 63,934 | 64,977 | 66,038 | 67,116 | 68,211 | 69,325 |
| 21 | 69,944 | 71,085 | 72,245 | 73,424 | 74,623 | 75,840 | 77,078 | 78,337 |
| 22 | 79,036 | 80,326 | 81,637 | 82,970 | 84,324 | 85,701 | 87,099 | 88,520 |
| 23 | 89,311 | 90,768 | 92,250 | 93,756 | 95,286 | 96,841 | 98,421 | 100,028 |
| 24 | 100,921 | 102,568 | 104,243 | 105,944 | 107,673 | 109,431 | 111,217 | 113,032 |
| 25 | 115,050 | 116,928 | 118,837 | 120,776 | 122,747 | 124,751 | 126,787 | 128,857 |
| 26 | 130,007 | 132,128 | 134,286 | 136,477 | 138,705 | 140,969 | 143,269 | 145,608 |
| 27 | 146,907 | 149,306 | 151,742 | 154,219 | 156,736 | 159,294 | 161,894 | 164,537 |
| 28 | 166,006 | 168,715 | 171,469 | 174,268 | 177,111 | 180,003 | 182,941 | 185,926 |
| 29 | 187,586 | 190,649 | 193,760 | 196,923 | 200,136 | 203,403 | 206,722 | 210,097 |
| 30 | 211,973 | 215,432 | 218,948 | 222,523 | 226,154 | 229,846 | 233,597 | 237,409 |
| 31 | 311,949 | 318,041 | 324,253 | 330,587 | 337,044 | 343,627 | 350,339 | 357,181 |

| | | | | | | | | |
|----|---------|---------|---------|---------|---------|---------|---------|---------|
| 32 | 371,912 | 379,412 | 387,063 | 394,869 | 402,832 | 410,956 | 419,244 | 427,699 |
| 33 | 469,596 | 483,684 | | | | | | |

Third Tranche

| SG | Step 1 | Step 2 | Step 3 | Step 4 | Step 5 | Step 6 | Step 7 | Step 8 |
|----|---------|---------|---------|---------|---------|---------|---------|---------|
| 1 | 14,732 | 14,854 | 14,979 | 15,104 | 15,231 | 15,357 | 15,486 | 15,615 |
| 2 | 15,654 | 15,774 | 15,895 | 16,017 | 16,140 | 16,263 | 16,389 | 16,514 |
| 3 | 16,592 | 16,720 | 16,848 | 16,978 | 17,109 | 17,239 | 17,372 | 17,505 |
| 4 | 17,588 | 17,724 | 17,859 | 17,996 | 18,135 | 18,273 | 18,414 | 18,555 |
| 5 | 18,643 | 18,787 | 18,931 | 19,076 | 19,222 | 19,370 | 19,519 | 19,668 |
| 6 | 19,761 | 19,913 | 20,066 | 20,221 | 20,376 | 20,532 | 20,690 | 20,849 |
| 7 | 20,947 | 21,108 | 21,271 | 21,434 | 21,598 | 21,765 | 21,931 | 22,100 |
| 8 | 22,305 | 22,507 | 22,711 | 22,916 | 23,122 | 23,331 | 23,543 | 23,756 |
| 9 | 23,925 | 24,124 | 24,327 | 24,530 | 24,735 | 24,942 | 25,151 | 25,361 |
| 10 | 25,599 | 25,813 | 26,029 | 26,247 | 26,466 | 26,688 | 26,910 | 27,135 |
| 11 | 27,624 | 28,002 | 28,386 | 28,775 | 29,169 | 29,569 | 29,974 | 30,385 |
| 12 | 30,530 | 30,908 | 31,292 | 31,679 | 32,072 | 32,470 | 32,872 | 33,279 |
| 13 | 33,584 | 34,000 | 34,421 | 34,847 | 35,279 | 35,716 | 36,158 | 36,606 |
| 14 | 36,942 | 37,400 | 37,863 | 38,333 | 38,807 | 39,287 | 39,774 | 40,267 |
| 15 | 40,637 | 41,140 | 41,650 | 42,166 | 42,688 | 43,216 | 43,751 | 44,294 |
| 16 | 44,700 | 45,254 | 45,814 | 46,381 | 46,956 | 47,538 | 48,128 | 48,723 |
| 17 | 49,170 | 49,779 | 50,396 | 51,020 | 51,652 | 52,292 | 52,939 | 53,595 |
| 18 | 54,088 | 54,757 | 55,436 | 56,122 | 56,818 | 57,522 | 58,234 | 58,955 |
| 19 | 60,253 | 61,237 | 62,236 | 63,252 | 64,285 | 65,333 | 66,401 | 67,484 |
| 20 | 68,087 | 69,197 | 70,327 | 71,475 | 72,642 | 73,828 | 75,032 | 76,257 |
| 21 | 76,938 | 78,194 | 79,470 | 80,766 | 82,085 | 83,424 | 84,786 | 86,170 |
| 22 | 86,940 | 88,358 | 89,801 | 91,267 | 92,756 | 94,271 | 95,809 | 97,372 |
| 23 | 98,242 | 99,845 | 101,475 | 103,131 | 104,815 | 106,525 | 108,264 | 110,031 |
| 24 | 111,013 | 112,825 | 114,667 | 116,538 | 118,440 | 120,374 | 122,339 | 124,335 |
| 25 | 126,555 | 128,621 | 130,720 | 132,854 | 135,022 | 137,226 | 139,466 | 141,742 |
| 26 | 143,008 | 145,341 | 147,714 | 150,125 | 152,575 | 155,065 | 157,596 | 160,169 |
| 27 | 161,598 | 164,236 | 166,917 | 169,641 | 172,410 | 175,223 | 178,084 | 180,991 |
| 28 | 182,607 | 185,587 | 188,616 | 191,695 | 194,822 | 198,004 | 201,235 | 204,519 |
| 29 | 206,345 | 209,714 | 213,136 | 216,615 | 220,150 | 223,744 | 227,395 | 231,107 |
| 30 | 233,170 | 236,975 | 240,843 | 244,775 | 248,769 | 252,830 | 256,956 | 261,150 |
| 31 | 343,144 | 349,845 | 356,679 | 363,645 | 370,749 | 377,989 | 385,372 | 392,899 |
| 32 | 409,103 | 417,354 | 425,770 | 434,356 | 443,115 | 452,052 | 461,169 | 470,469 |
| 33 | 516,556 | 532,053 | | | | | | |

- 1 | **SEC. 5. *Salary in Local Government Units*** – The salary or wage adjustments,
- 2 provided in Sec. 3 hereof shall also be applied to the LGUs in accordance with the applicable
- 3 provisions of this Act.

1 **SEC. 6. *Non-diminution in the Basic Salaries of Incumbent Employees.*** – In no case
2 shall there be any diminution in the basic salaries of incumbent employees upon the
3 implementation of this Act. For this purpose, they shall receive the new salary rates
4 prescribed herein which in no case shall be less than their existing salary rates.

5 **SEC. 7. *Compensation and Position Classification Report.*** – The DBM shall prepare
6 a Compensation and Position Classification Report for all government entities in the national
7 government; GOCCs and GFIs including exempt entities and the status of implementation
8 thereof. The reports shall be periodically updated and submitted to Congress and the
9 Commission on Audit for public disclosure, monitoring, compliance with established policies
10 and as basis for future policy decisions.

11 **SEC. 8. *Periodic Review of the Compensation and Position Classification System.***
12 The DBM and Civil Service Commission shall jointly review the Compensation and Position
13 Classification System every three (3) years, develop and recommend to the President a
14 competitive compensation and remuneration system which shall attract and retain talent.

15 **SEC. 9. *Appropriations.*** – The funding sources for the amounts necessary to
16 implement the modified Salary Schedule shall be as follows:

17 (a) For national government entities, the amount necessary for the immediate
18 implementation of this Act shall be included in the General Appropriations Act
19 (GAA);

20 (b) For GOCCs and GFIs, the amounts shall come from their respective
21 corporate funds in the approved corporate operating budgets. Government
22 corporations which do not have adequate or sufficient funds shall only partially
23 implement the established rates: *Provided*, That any partial implementation shall be at
24 uniform proportion of the established rates for all positions in each government
25 corporation; and

26 (c) For LGUs, the amounts shall be charged against their respective local
27 government funds in accordance with the pertinent provisions of this Act and
28 Republic Act No. 7160.

29 **SEC. 10. *Implementation Schedule.*** - The modified Salary Schedule as provided
30 herein shall be implemented in National Government Agencies as follows, subject to
31 appropriations by Congress:

- 32 a. Starting January 1, 2020, the first tranche schedule for civilian personnel-;
33 b. By January 1, 2021, the second tranche schedule for civilian personnel; and
34 c. By January 1, 2022, the third tranche schedule for civilian personnel

1 For GOCCs, GFIs and LGUs, the implementation period shall be for not more than
2 three (3) years depending on their financial capability, with each tranche starting not earlier
3 than the dates stated above. GOCCs, GFIs and LGUs which do not have adequate or
4 sufficient funds shall partially implement the modified Salary Schedule and authorized
5 benefits. In case of partial implementation, the same shall be at uniform percentage across all
6 positions for every GOCC, GFI and LGU.

7 **SEC. 11. *Implementing Rules and Guidelines.*** - The DBM and GCG shall, within
8 sixty (60) days after the approval of this Act, jointly prepare and issue the necessary
9 guidelines to implement the same.

10 **SEC. 12. *General Repealing and Amendatory Clause.*** - All provisions of laws,
11 decrees, executive orders, corporate charters, implementing rules and regulations, circulars,
12 and other issuances prescribing salary grades for government officials and employees which
13 are inconsistent with the provisions of this Act are hereby repealed, amended or modified
14 accordingly.

15 **SEC. 13. *Separability Clause.*** - If any provision of this Act is subsequently declared
16 unconstitutional, the validity of the remaining provisions hereof shall remain in full force and
17 effect.

18 **SEC. 14. *Effectivity Clause.*** - The Act shall take effect fifteen (15) days following its
19 publication in the *Official Gazette* or in at least two (2) newspapers of general circulation.

Approved,