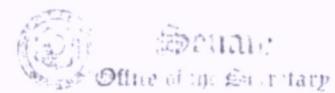


EIGHTEENTH CONGRESS OF THE
REPUBLIC OF THE PHILIPPINES
First Regular Session)



SENATE

S. No. 1006

'19 SEP -4 PM 12:33

Introduced by Senator Ralph G. Recto

REC'D. JUN 1 2020

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

EXPLANATORY NOTE

This bill seeks to improve the purchasing power of approximately 1.4 million civil servants¹ in the country that was eroded by inflation by providing an increase in the salary of government officials and employees.

It also aims to attract and retain competent and committed civil servants and increase productivity among the public sector workers.

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

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

¹ Table 1. Staffing Summary of the National Government. Fiscal Year 2020.

This bill mandates the implementation of salary increases for government officials and employees in accordance with salary schedules for three (3) tranches. The salary schedules shall be implemented on January 1, 2020 and every January 1 thereafter until the final tranche in 2022.

The salary increase is equivalent to an across the board annual ten percent increase for three (3) years plus an additional total of Ten Thousand Pesos (P10,000) in the basic monthly salary spread in three (3) years.

With this bill, the government would alleviate the living conditions of the 1.4 million public servants. Consequently, the much-needed relief that this measure offers will further motivate government personnel and invigorate public service.

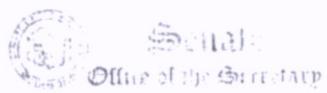
With the foregoing considered, immediate passage of this bill is earnestly sought.



RALPH G. RECTO

/mjma/ejcv

EIGHTEENTH CONGRESS OF THE
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S. No. 1006

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RL EB

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**AN ACT
INCREASING 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
3 State shall provide for the standardization of salary of government officials and
4 employees, including those in government-owned or -controlled corporations with
5 original charters, taking into account the nature of duties and responsibilities
6 pertaining to and the qualifications required for their positions, the State shall:
- 7 (a) implement a salary schedule that is generally comparable with those in
8 the private sector doing comparable work and in accordance with the
9 provisions of existing salary and position classification laws, in order to
10 attract, retain and motivate a corps of competent civil servants;
- 11 (b) keep the salary for government personnel fair and reasonable in
12 recognition of fiscal realities and maintain personal services cost at a
13 reasonable proportion of over-all expenditures; and
- 14 (c) conduct a periodic review of the salary and position classification
15 system taking into account the changes in skills and competency
16 requirements and the possible erosion in the purchasing power due to
17 inflation, and other factors.

18 Sec. 3. *Coverage.* The modified Salary Schedule herein provided shall apply to
19 all positions for civilian government personnel in the Executive, Legislative and

1 Judicial Branches, including Constitutional Commissions, State Universities and
2 Colleges (SUCs), Government-Owned or -Controlled Corporations (GOCCs) not
3 covered by RA No. 10149, Government Financial Institutions (GFIs) and local
4 government units (LGUs); regardless of appointment status, whether regular, casual
5 or contractual in nature; appointive or elective; and on full-time or part-time basis,
6 now existing or hereafter created.

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

10 Sec. 4. *Modified Salary Schedule for Civilian Government Personnel*. The
11 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	15,475	15,576	15,679	15,783	15,887	15,992	16,099	16,205
2	16,237	16,336	16,436	16,537	16,639	16,741	16,844	16,948
3	17,013	17,118	17,224	17,332	17,439	17,547	17,657	17,767
4	17,835	17,948	18,060	18,173	18,288	18,402	18,519	18,635
5	18,708	18,827	18,945	19,065	19,186	19,308	19,432	19,555
6	19,632	19,757	19,884	20,011	20,140	20,269	20,400	20,530
7	20,612	20,745	20,879	21,014	21,150	21,287	21,425	21,564
8	21,734	21,901	22,069	22,239	22,409	22,582	22,757	22,933
9	23,073	23,238	23,405	23,573	23,742	23,913	24,086	24,259
10	24,456	24,633	24,812	24,992	25,172	25,356	25,540	25,726
11	26,129	26,442	26,760	27,081	27,407	27,738	28,072	28,412
12	28,532	28,844	29,161	29,481	29,806	30,135	30,467	30,803
13	31,055	31,400	31,747	32,099	32,457	32,817	33,183	33,553
14	33,831	34,209	34,592	34,980	35,372	35,769	36,171	36,578
15	36,884	37,300	37,721	38,148	38,579	39,016	39,458	39,907
16	40,242	40,700	41,163	41,632	42,107	42,588	43,075	43,567
17	43,936	44,440	44,949	45,465	45,988	46,517	47,051	47,594
18	48,001	48,554	49,115	49,682	50,257	50,839	51,427	52,023
19	53,096	53,909	54,735	55,574	56,428	57,295	58,177	59,072
20	59,571	60,488	61,422	62,370	63,335	64,315	65,310	66,322
21	66,886	67,923	68,978	70,049	71,139	72,246	73,371	74,515
22	75,151	76,324	77,516	78,727	79,958	81,210	82,481	83,773
23	84,492	85,817	87,164	88,532	89,924	91,337	92,774	94,235
24	95,047	96,544	98,066	99,613	101,185	102,783	104,407	106,057
25	107,891	109,599	111,333	113,097	114,888	116,710	118,561	120,442

SG	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
26	121,488	123,417	125,378	127,370	129,395	131,453	133,544	135,671
27	136,852	139,032	141,248	143,499	145,787	148,113	150,477	152,879
28	154,215	156,677	159,181	161,725	164,310	166,939	169,610	172,324
29	173,833	176,617	179,445	182,321	185,242	188,212	191,230	194,297
30	196,002	199,147	202,344	205,593	208,894	212,251	215,661	219,127
31	286,890	292,428	298,076	303,833	309,704	315,688	321,790	328,010
32	341,402	348,220	355,176	362,272	369,511	376,896	384,431	392,117
33	430,206	443,013						

Second Tranche

SG	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
1	16,692	16,804	16,917	17,031	17,146	17,261	17,378	17,496
2	17,531	17,640	17,750	17,861	17,972	18,085	18,199	18,312
3	18,384	18,500	18,616	18,735	18,853	18,972	19,093	19,214
4	19,289	19,412	19,536	19,660	19,786	19,912	20,040	20,169
5	20,248	20,379	20,510	20,642	20,775	20,909	21,045	21,180
6	21,265	21,403	21,542	21,682	21,824	21,965	22,109	22,253
7	22,343	22,489	22,637	22,786	22,935	23,086	23,237	23,391
8	23,577	23,761	23,946	24,133	24,320	24,510	24,702	24,896
9	25,050	25,231	25,415	25,600	25,787	25,974	26,164	26,355
10	26,572	26,767	26,963	27,161	27,360	27,562	27,764	27,968
11	28,412	28,756	29,106	29,459	29,817	30,181	30,549	30,923
12	31,055	31,399	31,747	32,099	32,456	32,818	33,183	33,554
13	33,831	34,209	34,592	34,979	35,372	35,769	36,171	36,579
14	36,884	37,300	37,721	38,148	38,579	39,016	39,458	39,906
15	40,243	40,700	41,163	41,633	42,107	42,587	43,074	43,568
16	43,937	44,440	44,949	45,465	45,988	46,516	47,052	47,593
17	48,000	48,554	49,114	49,682	50,256	50,838	51,427	52,023
18	52,471	53,079	53,697	54,320	54,952	55,593	56,240	56,896
19	58,075	58,970	59,878	60,802	61,741	62,694	63,664	64,649
20	65,198	66,207	67,234	68,277	69,338	70,416	71,511	72,625
21	73,244	74,385	75,545	76,724	77,923	79,140	80,378	81,637
22	82,336	83,626	84,937	86,270	87,624	89,001	90,399	91,820
23	92,611	94,068	95,550	97,056	98,586	100,141	101,721	103,328
24	104,221	105,868	107,543	109,244	110,973	112,731	114,517	116,332
25	118,350	120,228	122,137	124,076	126,047	128,051	130,087	132,157
26	133,307	135,428	137,586	139,777	142,005	144,269	146,569	148,908
27	150,207	152,606	155,042	157,519	160,036	162,594	165,194	167,837
28	169,306	172,015	174,769	177,568	180,411	183,303	186,241	189,226
29	190,886	193,949	197,060	200,223	203,436	206,703	210,022	213,397
30	215,273	218,732	222,248	225,823	229,454	233,146	236,897	240,709
31	315,249	321,341	327,553	333,887	340,344	346,927	353,639	360,481

SG	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
32	375,212	382,712	390,363	398,169	406,132	414,256	422,544	430,999
33	472,896	486,984						

Third Tranche

SG	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
1	18,132	18,254	18,379	18,504	18,631	18,757	18,886	19,015
2	19,054	19,174	19,295	19,417	19,540	19,663	19,789	19,914
3	19,992	20,120	20,248	20,378	20,509	20,639	20,772	20,905
4	20,988	21,124	21,259	21,396	21,535	21,673	21,814	21,955
5	22,043	22,187	22,331	22,476	22,622	22,770	22,919	23,068
6	23,161	23,313	23,466	23,621	23,776	23,932	24,090	24,249
7	24,347	24,508	24,671	24,834	24,998	25,165	25,331	25,500
8	25,705	25,907	26,111	26,316	26,522	26,731	26,943	27,156
9	27,325	27,524	27,727	27,930	28,135	28,342	28,551	28,761
10	28,999	29,213	29,429	29,647	29,866	30,088	30,310	30,535
11	31,024	31,402	31,786	32,175	32,569	32,969	33,374	33,785
12	33,930	34,308	34,692	35,079	35,472	35,870	36,272	36,679
13	36,984	37,400	37,821	38,247	38,679	39,116	39,558	40,006
14	40,342	40,800	41,263	41,733	42,207	42,687	43,174	43,667
15	44,037	44,540	45,050	45,566	46,088	46,616	47,151	47,694
16	48,100	48,654	49,214	49,781	50,356	50,938	51,528	52,123
17	52,570	53,179	53,796	54,420	55,052	55,692	56,339	56,995
18	57,488	58,157	58,836	59,522	60,218	60,922	61,634	62,355
19	63,653	64,637	65,636	66,652	67,685	68,733	69,801	70,884
20	71,487	72,597	73,727	74,875	76,042	77,228	78,432	79,657
21	80,338	81,594	82,870	84,166	85,485	86,824	88,186	89,570
22	90,340	91,758	93,201	94,667	96,156	97,671	99,209	100,772
23	101,642	103,245	104,875	106,531	108,215	109,925	111,664	113,431
24	114,413	116,225	118,067	119,938	121,840	123,774	125,739	127,735
25	129,955	132,021	134,120	136,254	138,422	140,626	142,866	145,142
26	146,408	148,741	151,114	153,525	155,975	158,465	160,996	163,569
27	164,998	167,636	170,317	173,041	175,810	178,623	181,484	184,391
28	186,007	188,987	192,016	195,095	198,222	201,404	204,635	207,919
29	209,745	213,114	216,536	220,015	223,550	227,144	230,795	234,507
30	236,570	240,375	244,243	248,175	252,169	256,230	260,356	264,550
31	346,544	353,245	360,079	367,045	374,149	381,389	388,772	396,299
32	412,503	420,754	429,170	437,756	446,515	455,452	464,569	473,869
33	519,956	535,453						

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

1 The basic pay of barangay personnel shall be in the form of honoraria which
2 shall not exceed the percentage of the Salary Schedule corresponding to the income
3 classification of the LGU.

4 *Sec. 6. Implementation Schedule.* - The modified Salary Schedule as provided
5 herein shall be implemented in National Government Agencies as follows, subject to
6 appropriations by Congress:

- 7 a. Starting January 1, 2020, the first tranche schedule for civilian personnel;
- 8 b. By January 1, 2021, the second tranche schedule for civilian personnel;
9 and
- 10 c. By January 1, 2022, the third tranche schedule for civilian personnel

11 For covered GOCCs, GFIs and LGUs, the implementation period shall be in at
12 least three (3) years depending on their financial capability, with each tranche
13 starting not earlier than the dates stated above. GOCCs, GFIs and LGUs which do
14 not have adequate or sufficient funds shall partially implement the modified Salary
15 Schedule. In case of partial implementation, the same shall be at uniform
16 percentage across all positions for every GOCC, GFI and LGU.

17 *Sec. 7. Non-diminution in the Basic Salaries of Incumbent Employees.* – In no
18 case shall there be any diminution in the basic salaries of incumbent employees
19 upon the implementation of this Act. For this purpose, they shall receive the new
20 salary rates prescribed herein which in no case shall be less than their existing salary
21 rates.

22 *Sec. 8. Compensation and Position Classification Report.* – The DBM shall
23 prepare a Compensation and Position Classification Report for all government
24 entities in the national government; GOCCs and GFIs including exempt entities and
25 the status of implementation thereof. The reports shall be periodically updated and
26 submitted to Congress and the Commission on Audit for public disclosure,
27 monitoring, compliance with established policies and as basis for future policy
28 decisions.

29 *Sec. 9. Periodic Review of the Compensation and Position Classification
30 System.* The DBM and Civil Service Commission shall jointly review the
31 Compensation and Position Classification System every three (3) years, develop and

1 recommend to the President a competitive compensation and remuneration system
2 which shall attract and retain talent.

3 Sec. 10. *Appropriations*. – The funding sources for the amounts necessary to
4 implement the modified Salary Schedule shall be as follows:

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

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

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

17 Sec. 11. *Implementing Rules and Guidelines*. - Within sixty (60) days after the
18 effectivity of this Act, the DBM, Civil Service Commission and Governance
19 Commission on GOCCs shall formulate the rules and regulations to effectively
20 implement the provisions of this Act.

21 Sec. 12. *General Repealing and Amendatory Clause*. – Any law, presidential
22 decree or issuance, executive order, corporate charters, implementing rules and
23 regulations, circulars, and other issuances prescribing salary grades for government
24 officials and employees which are inconsistent with the provisions of this Act are
25 hereby repealed, amended or modified accordingly.

26 Sec. 13. *Separability Clause*. - If any portion or provision of this Act is
27 declared unconstitutional, the remainder of this Act or any provisions not affected
28 thereby shall remain in force and effect.

29 Sec. 14. *Effectivity Clause*. - This Act shall take effect fifteen (15) days
30 following its complete publication in two (2) newspapers of general circulation or in
31 the *Official Gazette*.

Approved,