



LEGISLATIVE RESEARCH SERVICE QUICK NOTES

Second Regular Session, 19th Congress

Public Hearing of the Committee on Civil Service, Government Reorganization and Professional Regulation joint with the Committee on Basic Education; Social Justice, Welfare and Rural Development; Health and Demography; Justice and Human Rights; Local Government; and Finance

Chairperson: Sen. Ramon Bong Revilla Jr.

16 May 2024, Thursday, 1:00 PM, Sens. Quezon and Tolentino Rooms, Senate

Re: I. Salary Standardization Law VI

- **S. No. 2296—Sen. Ramon Bong Revilla**
- **S. No. 2504—Sen. Christopher Lawrence Go**
- **S. No. 2611—Sen. Jinggoy Ejercito Estrada**

A. Additional Support Compensation for Education

- **S. No. 4—Sen. Loren Legarda**
- **S. No. 83—Sen. Juan Miguel Zubiri**
- **S. No. 149—Sen. Win Gatchalian**
- **S. No. 267—Sen. Ramon Bong Revilla, Jr.**
- **S. No. 324—Sen. Sonny Angara**
- **S. No. 339—Sen. Nancy Binay**

B. Competitive Remuneration and Compensation Packages for Social Workers Act of 2023

- **S. No. 1707— Sen. Christopher Lawrence Go**

C. Upgrading Salary Grade of Dentists

- **S. B. No. 2082—Sen. Francis Escudero**

D. Additional Increase in the Minimum Pay of P12,000 for Employees/Workers in Public Sector

- **S. No. 2356—Sen. Ramon Bong Revilla, Jr.**

E. Upgrading the Minimum Salary Grade Level of Nurses

From Salary Grade 15 to 19, Amending the Philippine Nursing Act of 2002—Sen. Sonny Angara

F. Upgrading the Position of Sanitary Inspector

To the Next Higher Salary Grade —Sen. Ramon Bong Revilla, Jr.

II. Personal Economic Relief Assistance (PERA)

- **S. No. 60— Sen. Francis Escudero**
- **S. No. 1027— Sen. Francis Escudero**

- **S. B. No. 1378—Sen. Mark Villar**
- **S. B. No. 1406—Sen. Ramon Bong Revilla, Jr.**
- **S. B. No. 1553—Sen. Manuel “Lito” Lapid**
- **S. B. No. 2562—Sen. Joseph Victor Ejercito**

III. Standardizing the Retirement Benefits of Justices, Judges and Judiciary Officials Conferred with Judicial Rank, Salary, and Privileges Amending RA 910 as Amended

- **S. No. 907—Sen. Sonny Angara**
- **S. No. 2436—Sen. Christopher Lawrence Go**
- **S. No. 2576—Sen. Ramon Bong Revilla, Jr.**
- **S. No. 2628—Sen. Loren Legarda**
- **H. No. 8392—Rep. Rufus Rodriguez, et.al.**

IV. 13th Month Pay Law for Contractual and Job Order Personnel

- **S. No. 1528—Sen. Mark Villar**
- **S. No. 1621—Sen. Ramon Bong Revilla, Jr.**

Background

- The 1987 Constitution mandates Congress to standardize the compensation of government officials and employees, including those in government-owned or controlled corporations with original charters, considering the nature of their responsibilities and qualifications.¹
- The Personal Economic Assistance (PERA) subsidy was first granted to all government workers in 1991, providing a P500 allowance. It was increased to P1,000 in 1993 by Administrative Order No. 53 and raised to P2,000 in January 2010.²
- The lack of a retirement law explicitly supporting Supreme Court resolutions allowing judiciary officials to retire under RA 910, as amended, has resulted in inequalities and inconsistent application of the law.³ A new retirement law is, therefore, necessary to properly recognize the invaluable services of judiciary members.
- The 13th-month pay is a mandatory benefit for private sector employees under Presidential Decree No. 851, requiring employers to provide this payment to rank-and-file employees by December 24 each year.⁴

Highlights

I. Salary Standardization Law (SSL) VI

- The proposed SSL bills aim to increase the salaries of civilian government personnel in response to current economic conditions and to recognize their crucial role in public service delivery.

¹ Rephrased from Senate Bill No. 2436, Sen. Christopher Lawrence “Bong” Go.

² pna.gov.ph, November 28, 2022

³ Rephrased from Senate Bill No. 907, Sen. Sonny Angara.

⁴ firstcircle.ph

- Under the SSL bills, salary increases for government workers will be implemented in four tranches. These measures will apply to all civilian government personnel positions in the executive, legislative, and judicial branches, including constitutional commissions, state universities and colleges, government-owned or controlled corporations not covered by RA 10149, government financial institutions, and local government units.
- Philippine public school teachers, considered among the most underpaid given their workload and societal role, will also benefit from salary grade increases. Senators Legarda, Zubiri, Gatchalian, Angara, and Binay propose increasing the grades for Teachers I, II, and III from Salary Grades 11, 12, and 13 to Grades 13, 14, and 15, respectively.
- Senator Go has filed a bill to establish an incentive and benefit system to fully recognize the contributions of public servants.
- Within the medical spectrum, Senator Escudero proposes to modify the salary grade schedule for public dentists, assigning them to the following higher grades: SG 17 for Dentist I; SG 20 for Dentist II; SG 23 for Dentist III; SG 25 for Dentist IV; SG 27 for Dentist V; SG 29 for Dentist VI; and SG 30 for Dentist VII. While Senator Angara proposes amending the Philippine Nursing Act of 2002 to increase the minimum salary grade for nurses from SG 15 to SG 19.
- Meanwhile, Senator Revilla proposes upgrading the position of Sanitary Inspector to the next higher salary grade.

II. Personal Economic Relief Assistance (PERA)

- Senators Escudero, Estrada, Mark Villar, Revilla Jr., Lapid, and Ejercito filed bills that seek to double the monthly PERA from P2,000 to P4,000 to help state workers cope with the higher prices brought about by Covid-19 pandemic and oil price hike.
- The PERA bills cover civilian government personnel at the local and national level whether elected or appointed, whether occupying regular, contractual or casual positions, whose positions are covered by RA 6758 or the Compensation and Position Classification Act of 1989.

III. Standardizing the Retirement Benefits of Justices, Judges and Judiciary Officials Conferred with Judicial Rank, Salary, and Privileges Amending RA 910 as Amended

- In 1954, RA 910 was enacted to provide retirement benefits for the justices of the Supreme Court and Court of Appeals.
- Subsequent legislations had expanded the coverage of RA 910 to include justices or judges of other courts, such as the Sandiganbayan, Court of Tax Appeals, Regional Trial Court, Metropolitan Trial Court, Municipal Trial Court, Municipal Circuit Trial Court, Shari'a District Court, Shari'a Circuit Court, and any other court.
- The law was limited to RA 8291 or the GSIS Act of 1997 resulting to loss of entitlement of the judiciary officials to all retirement benefits provided by RA 910 as amended, including survivorship and death benefits.

- The Court issued Guidelines on the Implementation of RA 9946 to continue allowing judiciary officials to retire under RA 910. But the Department of Budget and management is of the position that the resolution is not a law that would merit the release of retirement benefits provided under RA 910.
- Senators Angara, Go, Revilla Jr., Legarda, and Rep. Rufus Rodriguez, et.al. filed bills that seek to standardize the retirement benefits of justices, judges, including judiciary officials with judicial rank, salary, and privileges who compulsorily retire at the age of sixty-five (65), and those who avail of optional or disability retirement.

IV. 13th Month Pay Law for Contractual and Job Order Personnel

- As per Department of Labor and Employment, the 13th month pay should not be less than one-twelfth (1/12) of the total basic salary earned by an employee within the calendar year.
- Senators Revilla and Villar (M) filed bills that seek to also grant 13th month pay to contract of service (COS) and job order (JO) employees of the government.
- Under the measure, the minimum amount available for contractual and job order personnel shall not be less than one-half of the monthly salary of the employees based on their current contract with the government.

Possible Points for Discussion

1. Issuance of an executive order by the President if the proposed SSL VI is not approved;
2. Speedy passage of the Salary Standardization Law VI;
3. CSC's Memorandum Circular on Clarificatory Policies for Appointments to Reclassified/Upgraded Positions;
4. Executive Order No. 292 (Book V/Title I/Subtitle A/Chapter 5 - Personnel Policies and Standards);
5. Budget Circular No. 2018-3 (July 31) on Guidelines for the Reclassification of Positions; and
6. Policy options to support workers amid rising inflation.