Senate
Secretary

SIXTEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES
First Regular Session

'13 JUL -8 P1:12

SENATE

S. B. No. **589**

Introduced by **Senator FRANCIS G. ESCUDERO**

EXPLANATORY NOTE

The Personnel Economic Relief Allowance (PERA) is a subsidy granted to all government workers as a form of assistance to help make ends meet in the face of economic crisis as well as higher prices. The original intent of the PERA in the early 1990s was as an emergency allowance to serve as a buffer against skyrocketing prices of basic commodities due to oil price hikes and instability in the Middle East.

However, higher gasoline prices, higher transportation fares and higher prices of basic commodities since the PERA's inception have proven that the PERA augments the earnings of a government worker not just as an emergency allowance, but as a major source of additional funding to be able to afford basic commodities. Further, any adjustments to the PERA will need legislation to further augment the value of the allowance versus economic reality.

This bill realizes the true worth and intent of the PERA as a form of economic relief, and proposes that the PERA be subject to an automatic yearly adjustment equivalent to any increase of the annual inflation rate in the country. This makes the PERA responsive to the needs of the government worker in the event of high prices.

In view of the foregoing circumstances, the immediate approval of this measure is earnestly urged.

FRANCIS G. ESCUDERO

Senate
Secretary

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

'15 JUL -8 P1:12

SENATE

S. B. No. 589

Introduced by **Senator FRANCIS G. ESCUDERO**

AN ACT
PROVIDING AN INCREASE AND AN AUTOMATIC ADJUSTMENT MECHANISM IN THE PERSONNEL ECONOMIC RELIEF ALLOWANCE (PERA) GRANTED TO GOVERNMENT EMPLOYEES

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

SECTION 1. Personnel Economic Relief Allowance (PERA). The Personnel Economic Relief Allowance being granted to employees of the government shall be subject to an automatic yearly adjustment equivalent to any increase of the annual inflation rate in the country.

Concomitantly, upon the effectivity of this Act, the current PERA in the amount of Two Thousand Pesos (P2,000) per month is hereby adjusted to Four Thousand (P4,000) per month

SEC. 2. Coverage. The PERA shall be granted to civilian government personnel whether employed by the national or local governments, appointive or elective, and whether occupying regular, contractual, or casual positions, whose positions are covered by Republic Act No. 6758, the "Compensation and Position Classification Act of 1989," as amended, as well as military and uniformed personnel, Provided, That government personnel stationed abroad already receiving overseas allowances shall not be entitled to the provisions of this Act.

SEC. 3. Appropriations. For the first year of the implementation of this Act, funds necessary for the PERA of national and local government agencies shall be charged against savings, which for this purpose includes unreleased appropriations and other programmed appropriations. Thereafter, the amount necessary shall be provided in the annual General Appropriations Act.

SEC. 4. Implementing Rules and Regulations. The Department of Budget and Management shall issue the corresponding implementing rules and regulations within fifteen days from the effectivity of this Act.

SEC. 5. Repealing Clause. All laws, decrees, resolutions, orders, or parts thereof inconsistent with this Act are hereby repealed, amended or modified accordingly.

SEC. 6. Effectivity. This Act shall take effect fifteen (15) days after the publication in the Official Gazette or in one newspaper off general circulation.

Approved,