

REPUBLIC OF THE PHILIPPINES DEPARTMENT OF BUDGET AND MANAGEMENT MALACANANG, MANILA

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BUDGET CIRCULAR

No. <u>8</u> Series 1995

TO

Heads of Departments, Bureaus, Offices and Agencies of the National Government Including State Universities and Colleges; Government-Owned and/or Controlled Corporations and Financial Institutions; Local Government Units; and All Others Concerned

SUBJECT : PRESCRIBING GUIDELINES AND PROCEDURES FOR THE GRANT OF NIGHT-SHIFT DIFFERENTIAL PAY TO GOVERNMENT EMPLOYEES

1.0 PURPOSE

This Circular is being issued to rationalize and standardize rates of night-shift differential pay granted to government employees pursuant to Presidential Decree No. 985 and Republic Act No. 6758, as amended.

2.0 COVERAGE

All government employees, except those enumerated in Section 3.0 hereof, irrespective of employment status, whether permanent, casual, temporary and contractual, whose regular schedule of work fall partly or wholly between the hours of 6:00 Post Meridian (PM) and 6:00 Ante Meridian (AM) of the following day.

3.0 EXEMPTION

The following government employees are not covered by this Circular:

3.1 Public health workers, who are already covered by RA 7305;

3.2 Government employees whose schedule of office hours fall between 6:00 AM to 6:00 PM. Services rendered beyond the regular eight hour work schedules are paid overtime pay in accordance with existing laws, rules and regulations. 3.3 Government employees whose services are required or are on call 24 hours a day such as the uniformed personnel of the Armed Forces of the Philippines (AFP), the Philippine National Police (PNP), the Bureau of Jail Management (BJMP) and the Bureau of Fire Protection (BFP).

4.0 DEFINITION OF TERMS

- 4.1 Night shift Differential Pay Compensation premium granted to government personnel whose regular working hours fall wholly or partly within 6:00 PM to 6:00 AM of the following day.
- 4.2 Hourly Basic Rate The basic salary rate per hour derived by (a) dividing the monthly rate by 22 working days, and (b) dividing the quotient derived in (a) by 8 hours.

5.0 RULES AND REGULATIONS

- 5.1 Night-shift differential pay may be granted to government personnel at a rate not exceeding 20% of the hourly basic rate of the employee.
- 5.2 When the schedule of working hours fall partly within 6:00 PM to 6:00 AM, the night-shift differential pay shall be paid only for the hours within 6:00 PM to 6:00 AM of the following day.
- 5.3 When an employee working in a regular night shift falling within the 6:00 PM to 6:00 AM period renders services in excess of the regular 8-hour night shift, the excess hours shall be compensated in accordance with the rules and regulations on overtime compensation.
- 5.4 To qualify for the night-shift differential pay, the official working hours shall be prescribed by the head of office taking into consideration the nature of the services of the Office concerned and the necessity for an official shift outside the ordinary working hours prescribed by the Civil Service Commission, provided that such official working hours is observed for a period of at least 10 working days.
- 5.5 Payment of night-shift differential pay may be authorized by the Head of Office without the need of prior approval from the Department of Budget and Management.

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6.0 FUNDING SOURCE

The funds necessary to implement the provisions of this-Circular shall be charged against existing appropriations for the purpose of departments/agencies concerned. For government owned or controlled corporations, the amount shall be charged against their respective corporate funds. For local government units, the amount shall be charged against their respective local funds.

In case an agency has no appropriation for the purpose, it may use savings from released allotments for personal services.

7.0 SAVING CLAUSE

Cases not covered by the provisions of this Circular shall be submitted to the DBM for appropriate action and/or resolution.

8.0 **REPEALING CLAUSE**

All circulars, guidelines, rules and regulations or provisions therein which are inconsistent with the provisions of this Circular are hereby modified accordingly. All previous approval and authority granted by the DBM which are inconsistent with this Circular are likewise deemed superseded and modified accordingly.

9.0 EFFECTIVITY

This Circular shall take effect December 4, 1995.

SALVADOR M. EXRIQUEZ, JR.

Secretary