

MALACANANG  
MAÑILA

EXECUTIVE ORDER NO. 218

SECOND YEAR IMPLEMENTATION OF THE NEW  
SALARY SCHEDULE IN THE GOVERNMENT

WHEREAS, the government has adopted the new Salary Schedule contained in Joint Senate-House of Representatives Resolution No. 1, series of 1994;

WHEREAS, the new salary schedule was initially implemented in 1994 in accordance with Executive Order No. 164 and National Compensation Circular No. 72;

WHEREAS, the amount of P15.1 billion is appropriated in the CY 1995 General Appropriations Act to cover, among others, the adjustment in basic salary of government personnel as authorized by said Joint Resolution in an amount of not less than one thousand pesos (P1,000.00) per month for the second year implementation of the new Salary Schedule;

NOW, THEREFORE, I, FIDEL V. RAMOS, President of the Philippines, by virtue of the powers vested in me by the Constitution, R.A. No. 6758, P.D. No. 985 and P.D. No. 1597, do hereby order and direct:

**SECTION 1. New Salary Schedule.** The Department of Budget and Management is hereby directed to implement a second interim Salary Schedule effective January 1, 1995 reflecting an increase of one thousand pesos (P1,000.00) over the basic monthly salaries of government personnel as of December 31, 1994.

Heads of all national government departments and agencies including government owned and/or controlled corporations and local government units shall not grant compensation adjustment in excess of the amount herein authorized.

**SECTION 2. Coverage.** This Order shall cover all officials and employees of the national government, government-owned and controlled corporations including government financial institutions, and local government units, whose basic salaries conform to the new Salary Schedule prescribed under Executive Order No. 164. Officials and employees whose basic pay are higher than those prescribed under the new Salary Schedule are not entitled to the salary increase authorized herein.

**SECTION 3. Continuation of Personnel Economic Relief Allowance and Additional Compensation.** Personnel Economic Relief Allowance and the additional compensation authorized under Administrative Order No. 53 shall continue to be paid as allowances and not integrated into basic pay.

**SECTION 4. Funding Source.** The funding sources for the amounts necessary to implement the revised compensation and position classification system shall be as follows:

- a. For national government entities, the amount shall be charged against the appropriations set aside for the purpose in the 1995 General Appropriations Act and from savings generated from the different departments, bureaus, offices, and agencies. Thereafter, such amounts as are needed shall be included in the annual General Appropriations Act.
- b. For government-owned and/or controlled corporations (GOCCs), the amount shall come from their respective corporate funds.
- c. For local government units (LGUs), the amount shall be charged against their respective local funds.

GOCCs and LGUs which do not have adequate or sufficient funds to pay the salary increase prescribed herein shall only partially implement the established rates: PROVIDED, That any partial implementation shall be uniform and proportionate for all positions in each corporate entity or local government unit.

**SECTION 5. Applicability to Certain Constitutional Officials.** Pursuant to Section 6 of Article VII and Section 10 of Article VI of the Constitution, the compensation adjustment prescribed herein for the President, Vice-President, and Members of the House of Representatives shall take effect only after the expiration of the respective term of the present incumbents, and with respect to Senators, only after the expiration of the term of all the incumbents Senators.

**SECTION 6. Implementing Guidelines.** The Department of Budget and Management shall prepare and issue the necessary guidelines for the implementation of this Executive Order.

**SECTION 7. Effectivity.** This Executive Order shall take effect January 1, 1995.

DONE in the City of Manila, this *MT* day of January in the year of our Lord, Nineteen Hundred and Ninety Five.



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Received

JAN 04 1995

Date *ll*

By the President:

  
TEOFISTO T. GUINGONA, JR.  
Executive Secretary

