

MALACAÑANG  
MANILA

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BY THE PRESIDENT OF THE PHILIPPINES

EXECUTIVE ORDER NO. 389

IMPLEMENTING THE FOURTH AND FINAL YEAR SALARY  
INCREASES AUTHORIZED BY JOINT SENATE AND HOUSE OF  
REPRESENTATIVES RESOLUTION NO. 1, SERIES OF 1994

**WHEREAS**, Congress through RA No. 8244 has appropriated the amount of Twenty-Seven Billion Pesos (P27,000,000,000), or so much thereof as may be necessary, for the fourth and final year of implementation of the salary increases authorized by Joint Senate-House of Representatives Resolution No. 01, Series of 1994, for all national government civilian and uniformed personnel, in two (2) payments: 1) effective January 1, 1997 equivalent to fifty percent (50%) of the unimplemented balance as of December 31, 1996 of the basic pay corresponding to the Salary Grade concerned, and 2) effective November 1, 1997 the remaining fifty percent (50%) of said unimplemented balance to effect full salary adjustment;

**WHEREAS**, the government has adopted with some modifications the Salary Schedule in the revised Compensation and Position Classification System for the government recommended by Congress through said Joint Resolution No. 01 for implementation within four (4) years or not later than 1997;

**WHEREAS**, through said Joint Resolution the Senate and House of Representatives have also categorically recognized and acknowledged the authority of the President of the Philippines to revise the existing Compensation and Position Classification System in the government under the standards and guidelines therein provided;

**WHEREAS**, it has been determined more appropriate for an effective compensation administration to adopt a 33-Grade Salary Schedule instead of the 35-Grade Salary Schedule recommended by Congress;

**WHEREAS**, said Salary Schedule as modified to 33-Salary Grades was partially implemented in 1994, 1995 and 1996 through Executive Order Nos. 164, 218 and 290, respectively;

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**WHEREAS**, consultations have also been made with various leagues of local government units regarding the full implementation of the said Salary Schedule.

**NOW, THEREFORE, I, FIDEL V. RAMOS**, President of the Republic of the Philippines, by virtue of the powers vested in me by the Constitution, P.D. No. 985, P.D. No. 1597, RA No. 6758, RA No. 8244 and said Joint Resolution No. 1 of Congress, do hereby order and direct:

**SECTION 1. Salary Schedule.** The 35-Grade Salary Schedule for Civilian personnel recommended by Congress through Senate-House of Representatives Joint Resolution No. 1, s. 1994, and adopted under Executive Order No. 164, dated March 7, 1994 with modifications, is hereby modified to 33-Grades Salary Schedule consistent with those prescribed in RA No. 6758.

**SEC. 2. Full Implementation.** The Department of Budget and Management is hereby directed to implement in full in FY 1997 the remaining balance of said Salary Schedule after the partial implementation made of the same in 1994, 1995 and 1996 to Civilian and uniformed personnel, as follows:

**1. For Civilian Personnel**

- a. **Effective January 1, 1997** = in accordance with the **Fourth Interim Salary Schedule** hereto attached and marked as Annex A of this Order. The adjustment shall be to the designated salary step of the employee in the salary grade allocation of his position as of December 31, 1996;
- b. **Effective November 1, 1997** = in accordance with the attached **Salary Schedule** marked as Annex B of this Order. The adjustment shall be to the designated salary step of the employee in the salary grade allocation of his position as of October 31, 1997.

**2. For Uniformed Personnel**

In accordance with the attached Fourth Interim Salary Schedule marked as Annex C of this Order for the implementation effective January 1, 1997 and with the



Salary Schedule marked as Annex D for the full implementation effective November 1, 1997.

**SEC. 3. Coverage and Exemption.** This Order shall cover only officials and employees of the National Government Agencies (NGAs), Government-Owned and/or Controlled Corporations (GOCCs), Government Financial Institutions (GFIs) and Local Government Units (LGUs) whose basic salaries conform to the Third Interim Salary Schedule prescribed under Executive Order No. 290, dated January 2, 1996. Officials and employees of agencies who are exempted by law from the Compensation and Position Classification System and/or do not follow the Salary Schedule prescribed for government personnel are not entitled to the salary increases authorized herein.

**SEC. 4. Salary Grade Allocation of Positions.** The salary grade allocation of positions pursuant to RA No. 6758 shall be maintained.

**SEC. 5. Continuation of the Personnel Economic Relief Allowance (PERA) and Additional Compensation (ADCOM).** The PERA and ADCOM authorized under RA No. 7078 and Administrative Order No. 53, respectively, shall continue to be paid as allowances and not integrated into the basic pay.

**SEC. 6. Transition Allowance.** The transition allowance resulting from the implementation of RA No. 6758 and other personnel and compensation actions thereafter, including the "over and above allowance" of public school teachers and related personnel shall be considered as advance payment of the salary increases authorized herein; *Provided*, That, in the case of public school teachers and related personnel said "over and above allowance" shall first be added to the salary rate in the equivalent salary grade and step under the Salary Schedule marked Annex B before determining the appropriate salary step in the salary grade allocation of their position in the new Salary Schedule.

**SEC. 7. Allowances and Benefits Based on Percentage of Basic Salaries.** Notwithstanding the salary increases authorized herein, there shall be no corresponding increase in the present allowances and benefits being received by officials and employees which are based on a percentage of their basic salaries.



**SEC. 8. Flexibility for Local Government Units.** Flexibility is hereby given to each LGU to set its own schedule for the implementation of the herein authorized salary increases depending on its financial capability: *Provided*, That, the implementation of the same shall be in accordance with the schedule prescribed for civilian personnel in Section 1 hereof, and the percentage application under Section 10 of RA No. 6758 strictly complied with.

**SEC. 9. Separation from Government Service.** For those who will be compulsorily separated from government service for having reached the age of mandatory retirement, or due to death, sickness/disability in 1997 but before the full implementation effective November 1, 1997, their retirement/separation benefits, gratuity and payment of accumulated leave credits shall be computed on the basis of the salary rate in the Salary Schedule in Annex B hereof corresponding to their previous designated salary step; *Provided*, That, those who will be compulsorily retired on account of having reached the age of mandatory retirement will be given the option to retire pursuant to RA No. 660 and the difference between the lump-sum amount that the retiree will receive under RA No. 660 and the amount of retirement benefit had the employee retired under RA 1616, shall still be paid to the retiring employee by the last employer.

**SEC. 10. Funding Source.** The funding sources for the amounts necessary to implement the herein authorized salary increases shall be as follows:

- a. For NGAs, the amount shall be charged against the P27.0 Billion appropriated for the purpose under said RA No. 8244 and accordingly set aside for the purpose in their respective budgets for FY 1997.
- b. For GOCCs and GFIs, the amount shall be charged against their respective corporate funds.
- c. For LGUs, the amount shall be charged against their respective funds.

GOCCs, GFIs and LGUs which do not have adequate or sufficient funds to pay the salary increases prescribed herein, may only partially implement the established rates; *Provided*, That, any partial implementation shall be fixed at a uniform percentage such that no

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official or employee shall receive a percentage adjustment higher than that of any other official/employee in the same corporate entity and local government unit.

**SEC. 11. Prohibition.** Pursuant to Section 4 of said RA No. 8244, the salary adjustment herein authorized shall not benefit the President, the Vice President and Members of Congress.

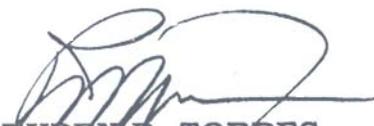
**SEC. 12. Implementing Guidelines.** The Department of Budget and Management shall prepare and issue the necessary guidelines for the implementation of this Executive Order.

**SEC. 13. Effectivity.** This Executive Order shall take effect January 1, 1997.

**DONE** in the City of Manila this 28th day of December in the year of Our Lord, Nineteen Hundred and Ninety Six.



By the President:

  
**RUBEN D. TORRES**  
Executive Secretary

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## FOURTH INTERIM SALARY CHEDULE

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SG	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
	4400	4510	4623	4738	4857	4978	5103	5230
3	4796	4916	5039	5165	5294	5426	5562	7
	5228	5358	5492	5630	5770	5866	5889	
	5646	5787	5895	5918	5941	5964	5988	60
	5955	5978	6002	6026	6050	6087	6186	17
	6073	6097	6122	6220	6321	6425	6531	6640
8	6225	6326	6430	6536	6644	6755	6869	6985
	6546	6654	6764	6877	6993	7111	7233	7356
	6895	7010	7129	7249	7373	7499	7629	77
0	7309	7433	7558	7687	7819	7954	8092	33
	7682	7313	7946	8083	8223	8366	8512	8662
	8118	8257	8399	8544	8692	8844	8999	
3	8586	8734	8884	9038	9195	9357	9521	9690
	9088	9245	9404	9568	9735	9907	10082	
	9626	9793	9962	10136	10314	10496	10682	
	10204	10381	10562	10747	10935	11129	11326	29
	10825	11013	11205	11402	11603	11809	12019	34
	11495	11694	11899	12108	12322	12540	12764	93
	12215	12427	12645	12867	13095	13328	13566	38
10	12991	13218	13450	13687	13929	14177	14431	90
	13629	13867	14110	14359	14613	14873	15139	
	14316	14566	14821	15082	15349	15622	15901	86
	15058	15320	15589	15876	16143	16430	16723	7
	15861	16137	16419	16707	17002	17304	17612	7
	16767	17058	17356	17660	17971	18289	18614	8946
	17697	18004	18318	18638	18966	19301	19643	9993
	18647	18970	19300	19637	19982	20334	20694	
18	19617	19956	20303	20658	21019	21389	21768	54
	20855	21214	21581	21956	22340	22731	23131	3540
30	23487	23894	24310	24735	25169	25613	26066	6530
	30188	30723	31270	31829	32401	32986	33584	34 95
	34295	34905	35520	36167	36818	37484	38166	
33	37500							

## ANNEX B

**SALARY SCHEDULE**  
**For Civilian Personnel**

Full implementation effective November 1, 1997

SG	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
1	4400	4510	4623	4738	4857	4978	5103	5230
2	4796	4916	5039	5165	5294	5426	5562	5701
3	5228	5358	5492	5630	5770	5915	6062	6214
4	5646	5787	5932	6080	6232	6388	6547	6711
5	6098	6250	6406	6566	6731	6899	7071	7248
6	6585	6750	6919	7092	7269	7451	7637	7828
7	7046	7222	7403	7588	7778	7972	8172	8376
8	7540	7728	7921	8119	8322	8530	8744	8962
9	8067	8269	8476	8688	8905	9127	9356	9589
10	8605	8821	9041	9267	9499	9736	9980	10229
11	9121	9349	9583	9822	10068	10320	10578	10842
12	9668	9910	10158	10412	10672	10939	11212	11493
13	10248	10505	10767	11036	11312	11595	11885	12182
14	10863	11135	11413	11699	11991	12291	12598	12913
15	11515	11803	12098	12400	12710	13028	13354	13688
16	12206	12511	12824	13145	13473	13810	14155	14509
17	12938	13262	13593	13933	14282	14639	15005	15380
18	13715	14058	14409	14770	15139	15517	15905	16303
19	14538	14901	15274	15656	16047	16448	16860	17281
20	15410	15795	16190	16595	17010	17435	17871	18318
21	16026	16427	16838	17259	17690	18132	18586	19050
22	16667	17084	17511	17949	18398	18858	19329	19812
23	17334	17767	18212	18667	19133	19612	20102	20605
24	18028	18479	18941	19414	19900	20397	20907	21430
25	18749	19218	19698	20191	20695	21213	21743	22287
26	19499	19986	20486	20998	21523	22061	22613	23178
27	20279	20786	21306	21838	22384	22944	23517	24105
28	21090	21617	22158	22712	23279	23861	24458	25069
29	21934	22482	23044	23620	24211	24816	25436	26072
30	25000	25625	26266	26922	27595	28285	28992	29717
31	35000	35875	36772	37691	38633	39599	40589	41604
32	40000	41000	42025	43076	44153	45256	46388	47547
33	50000							

**FOURTH INTERIM SALARY SCHEDULE**  
**For Uniformed Personnel**  
**For implementation effective January 1, 1997**

R A N K

A F P	PNP/Equivalent DILG Uniformed Personnel	NAMRIA Commissioned & Enlisted Personnel	Effective Jan. 1, 1997 MONTHLY BASIC PAY
<b>Enlisted Ranks</b>			
Candidate Soldier			4000
Private	Police Officer I	Seaman, 3rd Class	4600
Private, First Class	Police Officer II	Seaman, 2nd Class	4700
Corporal	Police Officer III	Seaman, 1st Class	4900
<b>Non-Commissioned Officers</b>			
Sergeant	Senior Police Officer I	Petty Officer III	5400
Staff Sergeant	Senior Police Officer II	Petty Officer II	5700
Technical Sergeant	Senior Police Officer III	Petty Officer I	6335
Master Sergeant	Senior Police Officer IV	Chief Petty Officer	6995
<b>Company Grade Officers</b>			
Cadet	Cadet		7840
Prob. 2nd Lieutenant			8395
Second Lieutenant		Ensign	9055
First Lieutenant	Inspector	Lieutenant, Jr. Grade	9620
Captain	Senior Inspector	Lieutenant, Sr. Grade	10055
<b>Field Grade Officers</b>			
Major	Chief Inspector	Lt. Commander	10730
Lieutenant Colonel	Superintendent	Commander	11230
Colonel	Senior Superintendent	Captain	11795
<b>General Officers</b>			
Brigadier General	Chief Superintendent	Commodore	12840
Major General	Director		13340
Lieutenant General	Deputy Director-General		14210
General	Director-General		15650

## ANNEX D

**SALARY SCHEDULE**  
**For Uniformed Personnel**  
**For implementation effective November 1, 1997**

## R A N K

A F P	PNP/Equivalent DILG Uniformed Personnel	NAMRIA Commissioned & Enlisted Personnel	Effective Jan. 1, 1997 MONTHLY BASIC PAY
<b>Enlisted Ranks</b>			
Candidate Soldier			4000
Private	Police Officer I	Seaman, 3rd Class	5000
Private, First Class	Police Officer II	Seaman, 2nd Class	5300
Corporal	Police Officer III	Seaman, 1st Class	5600
<b>Non-Commissioned Officers</b>			
Sergeant	Senior Police Officer I	Petty Officer III	6400
Staff Sergeant	Senior Police Officer II	Petty Officer II	6800
Technical Sergeant	Senior Police Officer III	Petty Officer I	7700
Master Sergeant	Senior Police Officer IV	Chief Petty Officer	8500
<b>Company Grade Officers</b>			
Cadet	Cadet		9800
Prob. 2nd Lieutenant			10600
Second Lieutenant		Ensign	11400
First Lieutenant	Inspector	Lieutenant, Jr. Grade	12000
Captain	Senior Inspector	Lieutenant, Sr. Grade	12400
<b>Field Grade Officers</b>			
Major	Chief Inspector	Lt. Commander	12900
Lieutenant Colonel	Superintendent	Commander	13400
Colonel	Senior Superintendent	Captain	14000
<b>General Officers</b>			
Brigadier General	Chief Superintendent	Commodore	14800
Major General	Director		15300
Lieutenant General	Deputy Director-General		16100
General	Director-General		16600