

EXECUTIVE ORDER NO. 31

GRANTING COMPENSATION ADJUSTMENTS TO
GOVERNMENT PERSONNEL

WHEREAS, it is necessary that the salaries of government employees be adjusted to help them cope with the increasing cost of living;

WHEREAS, the economic plight of public school teachers should be given special attention particularly so when they are in the forefront of the educational thrust of the government;

NOW, THEREFORE, I, CORAZON C. AQUINO, President of the Philippines, by virtue of the powers vested in me by law, do hereby order and direct:

- 1.0 The increase in basic salary of government personnel by two (2) salary steps (approximately equivalent to ten percent), excluding:

government-owned and controlled corporations;

agencies adopting the OP Pay Plan (Annex 1)

critical or OCPC-exempt agencies which have their own special pay plans (Annex 2);

positions allocated to upgraded classes in the National Compensation and Position Classification Plans in recently reorganized agencies and whose staffing patterns have been approved only in 1985.

positions in government agencies given special salary increases under E.O. 1059, E.O. 1060 and E.O. 1065 for lawyers, allied medical personnel and postal workers, respectively, and under specific Presidential approval; and

Career Executive Service Officers (CESO) and equivalent and higher positions for whom a separate pay plan will be submitted by the Ministry of Budget and Management.

- 2.0 An additional cost-of-living allowance (COLA) based on their adjusted salary levels, as follows:

<u>Salary Level</u>	<u>Additional COLA Per Month</u>
P2,500 and below	P150
P2,501 to P3,000	50

- 3.0 The following shall be excluded from the additional COLA:
- 3.1 Employees of government-owned and controlled corporations; and
 - 3.2 Employees of agencies who are already receiving cash emoluments other than the standard basic pay and allowances under the National Compensation and Position Classification Plan.
- 4.0 Employees of excluded agencies whose total compensation may fall below those of their counterparts in the covered agencies shall be given such salary and COLA increases as may be necessary to raise their total compensation equal to the adjusted salaries and COLAs of equivalent positions in the covered agencies as may be determined by the MBM. In no case, however, should such increases be more than the maximum amounts authorized under 1.0 and 2.0 above.
- 5.0 An additional two-step increase (approximately ten percent) in the basic pay of national teachers and SUC faculty. In effect, teachers will actually receive a total of 4-step increase or approximately 20% in basic pay (1.0 + 5.0).
- 6.0 An adjustment of the salaries and cost-of-living allowances of local teachers to bring them to the level of national teachers as adjusted under 2.0 and 5.0 above.

SOURCE OF FUNDS

- 7.0 Funds needed to implement this Order with respect to National Government personnel shall be taken from:
- 7.1 Salary lapses and other personal services savings of the ministry/bureau/office/agency/state university/college concerned as a first priority funding source.

- 7.2 The lump sum appropriation for salary increase incorporated in the budgets of National Government agencies and offices.

Funds re-aligned from less-essential and non-essential government activities and those re-allocated from other low-priority programs of the Government.

Any remaining deficiency shall be covered by the Salary Adjustment Fund authorized in CY 1986 General Appropriations Act.

- 8.0 Funds for the salary and COLA adjustment of local teachers shall be charged against the internal revenue allotments to Local Government Units and available local government funds.

- 9.0 Local government units are likewise authorized to grant the same two-step salary increase and additional COLA provided herein, subject to availability of local government funds and to the rules and conditions to be prescribed by the Joint Commission on Local Government Personnel Administration.

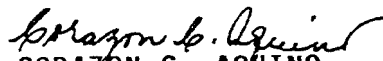
- 10.0 The Ministry of Budget and Management is hereby directed to conduct a study to review, upgrade and revise the compensation structure of Career Executive Service Officers (CESOs) and equivalent and higher positions consistent with the policy to provide adequate compensation commensurate with their responsibilities and taking into consideration comparable levels in the private sector.

- 11.0 The rules and regulations to implement this Order shall be formulated and issued by the Ministry of Budget and Management.

EFFECTIVITY

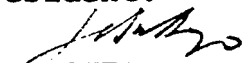
- 12.0 This Executive Order shall take effect on July 1, 1986.

DONE in the City of Manila, this 23rd day of July, in the Year of Our Lord, Nineteen hundred and eighty-six


CORAZON C. AQUINO

President of the Philippines

By the President:


JOKER P. ARROYO
Executive Secreta:

ANNEX 1

LIST OF AGENCIES ADOPTING THE OP (OFFICE OF THE PRESIDENT)
PAY PLAN NOT INCLUDED IN THE 10% SALARY ADJUSTMENT

OFFICE OF THE PRESIDENT (Proper)

Presidential Management Staff
Office of Budget and Management
National Computer Center
Commission on Filipino Overseas
National Cartography Authority
National Manpower and Youth Council
National Science Technology Authority
National Academy of Science and Technology
Phil. Council for Agriculture and Resources Research Devt
Phil. Council for Health Research and Development
Food and Nutrition Research Institute
Phil. Council for Industry and Energy Research and Devt.
Forest Product Research and Development
Materials Science Research Institute
National Institute of Science and Technology
Philippine Institute of Volcanology and Seismology
Philippine Invention Development Institute
Science Promotion Institute
National Research Council of the Philippines
Philippine Science High School
Movie and Television Review and Classification Board
Videogram Regulatory Board
Youth Development Affairs
Ilocos Norte Project Development Office
National Commission Concerning Disabled Persons
Office of the Vice President

OFFICE OF THE PRIME MINISTER (Proper)

Central Visayas Regional Project Office

NATIONAL ECONOMIC AND DEVELOPMENT AUTHORITY (Proper)

Tariff Commission
National Tax Research Center
National Census Statistics Office

MINISTRY OF FINANCE (Proper)

Bureau of the Treasury
Insurance Commission
Securities and Exchange Commission

MINISTRY OF FOREIGN AFFAIRS (Proper)

MINISTRY OF HEALTH

Research Institute for Tropical Medicine

MINISTRY OF HUMAN SETTLEMENTS (Proper)

Human Settlements Regulatory Commission
Intramuros Administration
Philippine Human Resources Development Center
KKK Secretariat

MINISTRY OF SOCIAL SERVICES AND DEVELOPMENT

Population Commission

MINISTRY OF TRADE AND INDUSTRY