

**EXECUTIVE ORDER
NO. 219**

**GRANT OF SALARY ADJUSTMENT TO ALL
GOVERNMENT PERSONNEL**

WHEREAS, the Government fully appreciates the valuable role of government employees in providing vital services to the population at large;

WHEREAS, in recognition of this vital role, it is the policy of the Government to continuously uplift, within its limited financial resources, the living standards of government employees and to improve their welfare;

WHEREAS, pursuant to this policy, the Government deems it proper to increase the salaries of government employees to keep in step with the existing economic conditions and ameliorate their plight-

WHEREAS, under the Salary Adjustment Fund in the FY 2000 General Appropriations Act an amount is appropriated for a 10% across the board adjustment in basic salary of national government personnel;

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

SECTION 1. *New Salary Schedule.* The Department of Budget and Management is hereby directed to implement new Salary Schedules effective January 1, 2000 reflecting a ten percent (10%) increase over the basic monthly salaries as of December 31, 1999 of civilian and uniformed personnel except the uniformed personnel of Philippine National Police (PNP) who are covered by RA 8551, as follows:

a. For Civilian Personnel

The salary adjustment for civilian personnel shall be in accordance with the attached Salary Schedule 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, 1999.

b. For Uniformed Personnel Except those in the PNP

The salary adjustment of the uniformed personnel except those in the PNP shall be in accordance with the attached Salary Schedule marked as Annex 'B' of this Order.

Heads of all national government departments and agencies including government-owned and/or -controlled corporations and local Government units shall not grant any form of compensation adjustment in excess of the amount stipulated in the said Salary Schedules.

SECTION 2. *Coverage and Exemption.* This order shall cover only officials and employees of the National Government Agencies (NGAs) including State Universities and Colleges (SUCs), Government-Owned and/or -Controlled Corporations (GOCCs), Government Financial Institutions (GFIs) and Local Government Units (LGUs) whose basic salaries conform with the Salary Schedule prescribed under Executive Order No. 389 dated December 28, 1996. Officials and employees 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 adjustment authorized herein.

SECTION 3. *Integration of Transition Allowance.* The salary rates contained in the Salary Schedule marked as Annex A shall include transition allowance presently authorized to be received by incumbents.

SECTION 4. *Continuation of Personnel Economic Relief Allowance and Additional Compensation.* Personnel Economic Relief Allowance and the Additional Compensation authorized under Republic Act No. 7078 and Administrative Order No. 53, respectively shall continue to be paid as allowances and not integrated into basic pay, and therefor not subject to tax.

SECTION 5. *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.

SECTION 6. *Funding Source.* The funding sources for the amounts necessary to implement the revised compensation shall be as follows:

- a. For national government entities, the amount shall be charged against the savings generated from the different departments, bureaus, offices and agencies and appropriations set aside for the purpose in the FY 2000 General Appropriations Act. Thereafter, such amounts as are needed shall be included in the annual General Appropriations Act.
 1. Agencies with fiscal autonomy are enjoined to fund their Salary adjustment within the level of PS funds released to them.
- b. For government-owned and/or controlled corporations (GOCCs) and government financial institutions (GFIs), the amount shall come from their respective corporate funds.
- c. For local government units (LGUs), the amount shall be charge against their respective local funds.

GOCCS, GFIs and LGUs which do not have adequate or sufficient funds to pay the salary adjustment 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 7. *Applicability to Certain Constitutional Officials.* Pursuant to Section 6 of Article VII and Section 10 of Article VI of the Constitution, the salary 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 terms of the present incumbents, and with respect to Senators, only after the expiration of the term of all the incumbent Senators.

SECTION 8. *Implementing Guidelines.* The Department of Budget and Management shall prepare and issue the necessary guidelines for the implementation of this Executive Order.

SECTION 9. *Effectivity.* This Executive Order shall take effect January 1, 2000.

(Sgd.) JOSEPH EJERCITO ESTRADA

By the President:

(Sgd.) RONALDO B. ZAMORA
Executive Secretary