

[REPUBLIC ACT NO. 6758, August 21, 1989]

**AN ACT PRESCRIBING A REVISED COMPENSATION AND
POSITION CLASSIFICATION SYSTEM IN THE GOVERNMENT AND
FOR OTHER PURPOSES**

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. *Title.*—This Act shall be known as the "Compensation and Position Classification Act of 1989."

SEC. 2. *Statement of Policy.*—It is hereby declared the policy of the State to provide equal pay for substantially equal work and to base differences in pay upon substantive differences in duties and responsibilities, and qualification requirements of the positions. In determining rates of pay, due regard shall be given to, among others, prevailing rates in the private sector for comparable work. For this purpose, the Department of Budget and Management (DBM) is hereby directed to establish and administer a unified Compensation and Position Classification System, hereinafter referred to as the System as provided for in Presidential Decree No. 985, as amended, that shall be applied for all government entities, as mandated by the Constitution.

SEC. 3. *General Provisions.*—The following principles shall govern the Compensation and Position Classification System of the government:

- a. All government personnel shall be paid just and equitable wages; and while pay distinctions must necessarily exist in keeping with work distinctions, the ratio of compensation for those occupying higher ranks to those at lower ranks should be maintained at equitable levels giving due consideration to higher percentages of increases to lower level positions and lower percentage increases to higher level positions;
- b. Basic compensation for all personnel in the government and government-owned or controlled corporations and financial institutions shall generally be comparable with those in the private sector doing comparable work, and must be in accordance with prevailing laws on minimum wages;
- c. The total compensation provided for government personnel must be maintained at a reasonable level in proportion to the national budget;
- d. A review of government compensation rates, taking into account possible erosion in purchasing power due to inflation and other factors, shall be conducted periodically.

SEC. 4. *Coverage.*—The Compensation and Position Classification System herein provided shall apply to all positions, appointive or elective, on full or part-time basis, now existing or hereafter created in the government, including government-owned

or controlled corporations and government financial institutions. The term "government" refers to the Executive, the Legislative and the Judicial Branches and the Constitutional Commissions and shall include all, but shall not be limited to, departments, bureaus, offices, boards, commissions, courts, tribunals, councils, authorities, administrations, centers, institutes, state colleges and universities, local government units, and the armed forces.

The term "government-owned or controlled corporations and financial institutions" shall include all corporations and financial institutions owned or controlled by the National Government, whether such corporations and financial institutions perform governmental or proprietary functions.

SEC. 5. *Position Classification System*.—The Position Classification System shall consist of classes of positions grouped into four main categories, namely: professional supervisory, professional non-supervisory, sub-professional supervisory, and sub-professional non-supervisory, and the rules and regulations for its implementation.

Categorization of these classes of positions shall be guided by the following considerations:

- a. *Professional Supervisory Category*—This category includes responsible positions of a managerial character involving the exercise of management functions such as planning, organizing, directing, coordinating, controlling and overseeing within delegated authority the activities of an organization, a unit thereof or of a group, requiring some degree of professional, technical or scientific knowledge and experience, application of managerial or supervisory skills required to carry out their basic duties and responsibilities involving functional guidance and control, leadership, as well as line supervision. These positions require intensive and thorough knowledge of a specialized field usually acquired from completion of a bachelor's degree or higher degree courses.

The positions in this category are assigned Salary Grade 9 to Salary Grade 33.

- b. *Professional Non-Supervisory Category*—This category includes positions performing task which usually require the exercise of a particular profession or application of knowledge acquired through formal training in a particular field or just the exercise of a natural, creative and artistic ability or talent in literature, drama, music and other branches of arts and letters. Also included are positions involved in research and application of professional knowledge and methods to a variety of technological, economic, social, industrial and governmental functions; the performance of technical tasks auxiliary to scientific research and development; and in the performance of religious, educational, legal, artistic or literary functions. These positions require thorough knowledge in the field of arts and sciences or learning acquired through completion of at least four (4) years of college studies.

The positions in this category are assigned Salary Grade 8 to Salary Grade 30.

- c. *Sub-Professional Supervisory Category*—This category includes positions performing supervisory functions over a group of employees engaged in responsible work along technical, manual or clerical lines of work which are short of professional work, requiring training and moderate experience or lower training but considerable experience and knowledge of a limited subject matter or skills in arts, crafts or trades. These positions require knowledge

acquired from secondary or vocational education or completion of up to two (2) years of college education.

The positions in this category are assigned Salary Grade 4 to Salary Grade 18.

- d. *Sub-Professional Non-Supervisory Category*—This category includes positions involved in structured work in support of office or fiscal operations or those engaged in crafts, trades or manual work. These positions usually require skills acquired through training and experience or completion of elementary education, secondary or vocational education or completion of up to two (2) years of college education.

The positions in this category are assigned Salary Grade 1 to Salary Grade 10.

SEC. 6. *Index of Occupational Services, Position Titles and Salary Grades of the Compensation and Position Classification System.*—All positions in the government covered under Section 4 hereof shall be allocated to their proper position titles and salary grades in accordance with the Index of Occupational Services, Position Titles and Salary Grades of the Compensation and Position Classification System which shall be prepared by the DBM.

SEC. 7. *Salary Schedule.*—The Department of Budget and Management is hereby directed to implement the Salary Schedule prescribed below:

Salary Schedule

Grade	1st	2nd	3rd	4th	5th	6th	7th	8th
1—	2,000	2,020	2,040	2,061	2,081	2,102	2,123	2,144
2—	2,073	2,094	2,115	2,136	2,158	2,179	2,201	2,223
3—	2,156	2,178	2,200	2,222	2,244	2,266	2,289	2,312
4—	2,250	2,272	2,295	2,318	2,341	2,364	2,388	2,412
5—	2,355	2,378	2,402	2,426	2,450	2,475	2,500	2,525
6—	2,473	2,497	2,522	2,547	2,573	2,599	2,625	2,651
7—	2,604	2,630	2,657	2,683	2,710	2,737	2,765	2,793
8—	2,752	2,779	2,807	2,835	2,864	2,892	2,921	2,950
9—	2,917	2,946	2,976	3,005	3,036	3,066	3,097	3,127
10—	3,102	3,133	3,164	3,196	3,228	3,260	3,293	3,325
11—	3,309	3,342	3,375	3,409	3,443	3,477	3,512	3,547
12—	3,540	3,576	3,611	3,647	3,684	3,721	3,758	3,796
13—	3,800	3,838	3,876	3,915	3,954	3,994	4,033	4,074
14—	4,091	4,132	4,173	4,215	4,257	4,300	4,343	4,386
15—	4,418	4,463	4,507	4,552	4,598	4,644	4,690	4,737
16—	4,786	4,834	4,883	4,932	4,981	5,031	5,081	5,132
17—	5,201	5,253	5,306	5,359	5,413	5,467	5,521	5,577
18—	5,670	5,726	5,784	5,841	5,900	5,959	6,018	6,079
19—	6,199	6,261	6,323	6,386	6,450	6,515	6,580	6,646
19—	6,199	6,261	6,323	6,386	6,450	6,515	6,580	6,646
20—	6,798	6,866	6,935	7,004	7,074	7,145	7,216	7,288

21—	7,478	7,553	7,628	7,704	7,781	7,859	7,938	8,017
22—	8,250	8,333	8,416	8,500	8,585	8,671	8,758	8,845
23—	9,131	9,222	9,314	9,407	9,501	9,596	9,692	9,789
24—	10,135	10,236	10,339	10,442	10,546	10,652	10,758	10,866
25—	11,385	11,499	11,614	11,730	11,847	11,966	12,085	12,206
26—	12,650	12,777	12,904	13,033	13,164	13,295	13,428	13,563
27—	13,915	14,054	14,195	14,337	14,480	14,625	14,771	14,919
28—	15,180	15,332	15,485	15,640	15,796	15,954	16,114	16,275
29—	17,075	17,246	17,418	17,592	17,768	17,946	18,125	18,307
30—	18,975							
31—	19,550							
32—	22,000							
33—	25,000							

The above Salary Schedule shall be used for positions that are paid on the annual or monthly rate basis. All salaries in the Salary Schedule expressed as monthly rates in pesos shall represent full compensation for full-time employment, regardless of where the work is performed. Salaries for services rendered on a part-time basis shall be adjusted proportionately.

The Department of Budget and Management shall update the above Schedule whenever there are across-the-board salary adjustments as may be provided by law.

The daily wage rate shall be determined by dividing the monthly salary rate by twenty-two (22) working days per month.

SEC. 8. *Salaries of Constitutional Officials and their Equivalent.*—Pursuant to Section 17, Article XVIII of the Constitution, the salary of the following officials shall be in accordance with the Salary Grades indicated hereunder:

	Salary Grade
President of the Philippines	33
Vice-President of the Philippines	32
President of the Senate	32
Speaker of the House of Representatives	32
Chief Justice of the Supreme Court	32
Senator	31
Member of the House of Representatives	31
Associate Justices of the Supreme Court	31
Chairman of a Constitutional Commission	

under Article IX, 1987 Constitution	31
Member of a Constitutional Commission	
under Article IX, 1987 Constitution	30

The Department of Budget and Management is hereby authorized to determine the officials who are of equivalent rank to the foregoing Officials, where applicable, and may be assigned the same Salary Grades based on the following guidelines:

GRADE 33—This Grade is assigned to the President of the Republic of the Philippines as the highest position in the government. No other position in the government service is considered to be of equivalent rank.

GRADE 32—This Grade is limited to the Vice-President of the Republic of the Philippines and those positions which head the Legislative and Judicial Branches of the government, namely: the Senate President, Speaker of the House of Representatives and Chief Justice of the Supreme Court. No other positions in the government service are considered to be of equivalent rank.

GRADE 31—This Grade is assigned to Senators and Members of the House of Representatives and those with equivalent rank as follows: the Executive Secretary, Department Secretary, Presidential Spokesman, Ombudsman, Press Secretary, Presidential Assistant with Cabinet Rank, Presidential Adviser, National Economic and Development Authority Director General, Court of Appeals Presiding Justice, Sandiganbayan Presiding Justice, Secretary of the Senate, Secretary of the House of Representatives, and President of the University of the Philippines.

An entity with a broad functional scope of operations and wide area of coverage ranging from top level policy formulation to the provision of technical and administrative support to the units under it, with functions comparable to the aforesaid positions in the preceding paragraph, can be considered organizationally equivalent to a Department, and its head to that of a Department Secretary.

GRADE 30—Positions included are those of Department Undersecretary, Cabinet Undersecretary, Presidential Assistant, Solicitor General, Government Corporate Counsel, Court Administrator of the Supreme Court, Chief of Staff of the Office of the Vice-President, National Economic and Development Authority Deputy Director General, Presidential Management Staff Executive Director, Deputy Ombudsman, Associate Justices of the Court of Appeals, Associate Justices of the Sandiganbayan, Special Prosecutor, University of the Philippines Executive Vice-President, Mindanao State University President, Polytechnic University of the Philippines President and President of other state universities and colleges of the same class.

Heads of councils, commissions, boards and similar entities whose operations cut across offices or departments or are serving a sizeable portion of the general public and whose coverage is nationwide or whose functions are comparable to the aforesaid positions in the preceding paragraph, may be placed at this level.

The equivalent rank of positions not mentioned herein or those that may be created hereafter shall be determined based on these guidelines.