

## [ EXECUTIVE ORDER NO. 150, October 01, 2021 ]

### **APPROVING THE COMPENSATION AND POSITION CLASSIFICATION SYSTEM (CPCS) AND INDEX OF OCCUPATIONAL SERVICES, POSITION TITLES, AND JOB GRADES FOR GOCCS (IOS-G) FRAMEWORK, REPEALING EXECUTIVE ORDER NO. 203 (S. 2016), AND FOR OTHER PURPOSES**

**WHEREAS**, Section 16, Article XII of the Constitution provides that government-owned or -controlled corporations (GOCCs) may be established in the interest of the common good, subject to the test of economic viability;

**WHEREAS**, Section 5, Article IX-B of the Constitution mandates that Congress shall standardize the compensation of government officials and employees, including those in GOCCs with original charters, taking into account the nature of their responsibilities, and the qualifications required for their positions;

**WHEREAS**, under Republic Act (RA) No. 10149 or the "GOCC Governance Act of 2011," the Governance Commission for GOCCs (GCG) is mandated to:

- a. Classify GOCCs, as may be necessary, to guide it in exercising its powers and functions;
- b. Conduct compensation studies, develop and recommend to the President a competitive compensation and remuneration system which shall attract and retain talent, while allowing the GOCC to be financially sound and sustainable; and
- c. Develop a CPCS which shall apply to all officers and employees of GOCCs whether under the Salary Standardization Law or exempt therefrom, and shall consist of classes of positions grouped into such categories as the GCG may determine, subject to approval of the President;

**WHEREAS**, Section 9 of RA No. 10149 provides that, notwithstanding any law to the contrary, no GOCC shall be exempt from the coverage of the CPCS developed by the GCG under said Act;

**WHEREAS**, Executive Order (EO) No. 203 (s. 2016) titled, "Adopting the Compensation and Position Classification System (CPCS) and a General Index of Occupational Services (IOS) for the GOCC Sector Covered by Republic Act No. 10149, and for Other Purposes," was approved by the President on 22 March 2016;

**WHEREAS**, EO No. 36 (s. 2017) suspended the CPCS under EO No. 203 in light of the need to further study and review the compensation of GOCCs, to eliminate any excessive, unauthorized, illegal and/or unconscionable allowances, incentives and benefits, as well as rationalize rigorous requirements that hamper implementability of the System; and

**WHEREAS**, the GCG En Banc, after having conducted the requisite consultation with stakeholders, review and compensation study, has developed the new CPCS for GOCCs and submitted the same to the President for approval;

**NOW, THEREFORE, I, RODRIGO ROA DUTERTE**, President of the Republic of the Philippines, by virtue of the powers vested in me by the Constitution and by existing laws, do hereby order:

**SECTION 1. The CPCS and Index of Occupational Services, Position Titles, and Job Grades for GOCCs (IOS-G) Framework.** The CPCS and the IOS-G Framework for the GOCC Sector, attached hereto, are hereby approved and shall apply to all GOCCs, Government Financial Institutions (GFIs), Government instrumentalities with Corporate Powers (GICPs)/ Government Corporate Entities (GiCPs/GCEs) (hereinafter collectively referred to as "GOCCs"), including their subsidiaries, unless excluded from the coverage of RA No. 10149.

The CPCS shall not apply to GOCCs with approved abolition or deactivation orders.

The GCG shall have the authority to convert or revise the existing position classification system of the GOCCs to be aligned with the CPCS under this Order. All positions in GOCCs shall then be allocated by the GCG to their proper position titles and job grades in the IOS-G.

**SECTION 2. No Authority to Negotiate/Bargain on the Economic Terms and Conditions of Collective Negotiation Agreements (CNAs)/ Collective Bargaining Agreements (CBAs).** While recognizing the constitutional rights of workers to self-organization, collective bargaining and negotiations, the Governing Boards of all covered GOCCs shall not negotiate the economic terms and conditions of the CNAs/CBAs with their officers and employees.

CNA incentives shall be guided by the policies and guidelines established by the Department of Budget and Management (DBM) and shall be extended to cover non-chartered GOCCs to promote uniformity of allowable incentives within the GOCC Sector.

**SECTION 3. Effective Date of the CPCS.** The monthly basic salary structure of a GOCC and its allowances, benefits and incentives shall be effective upon issuance of the corresponding authorization from the GCG. The GCG En Banc may likewise set a uniform date of effectivity across GOCCs, which shall in no case be earlier than the date of effectivity of this Order.

**SECTION 4. Non-Diminution of Authorized Salaries.** In the implementation of the CPCS, there shall be no diminution in the existing authorized salaries of incumbent officers and employees of GOCCs concerned. For purposes of this Order, authorized salaries shall refer to the salary structure that has been duly authorized by the Office of the President (OP) and/or by law. An approval from the Governing Board of the GOCC, alone, shall not be considered as authorized.

**SECTION 5. Compensation System.** The existing compensation granted by GOCCs to its officers and employees shall be standardized in accordance with the CPCS approved under this Order. No additional compensation outside the CPCS shall be granted by the GOCC Governing Board, unless the same has been recommended by the GCG and approved by the President.