

[EXECUTIVE ORDER NO. 31, July 23, 1986]

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 power 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:

Salary Level	Additional COLA Per Month
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.

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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.