

**[ EXECUTIVE ORDER NO. 495, January 13, 1978 ]**

**ESTABLISHING THE RULES AND REGULATIONS OF THE FOREIGN SERVICE COMPENSATION DECREE OF 1978**

WHEREAS, a Foreign Service Compensation Plan was established by Presidential Decree No. 1285 in an attempt to rationalize the foreign service compensation plan of national government officials and employees;

WHEREAS, the said Decree directs the President to promulgate the necessary implementing rules and regulations upon recommendation of the Secretary of Foreign Affairs and the Commissioner of the Budget;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, do hereby promulgate the following rules and regulations:

Part I. Department of Foreign Affairs Officials and Employees

SECTION 1. Salaries at which Foreign Service Officers may be appointed. –

(a) A person appointed as a Foreign Service Officer of Class IV shall receive a salary at that one of the rates provided for that class, which the Secretary of Foreign Affairs shall, taking into consideration his age, qualifications and experience, determine to be appropriate. Until otherwise changed pursuant to the Foreign Service Compensation Decree, the rates established under P.D. No. 905 shall apply.

(b) A person appointed as Foreign Service Officer of Class II and III, inclusive, shall receive a salary at the minimum rate provided for the class to which he has been appointed.

SEC. 2. – Salaries at which Foreign Service staff officers and employees may be appointed. – A person appointed as a staff officer in Classes I through III or staff employee in Classes I through III, inclusive, shall receive salary at the minimum rate provided for the class to which he is appointed, except as otherwise provided in this Order.

SEC. 3. Salaries of alien clerks and employees. – The basic salary of an alien clerk or employee shall be fixed by the Secretary of Foreign Affairs in the currency of the country of assignment within the limits of available appropriations, giving weight to the rank and duties of the clerk or employee and the prevailing rates of salary at the post. For this purpose, the appointments to positions of alien clerks or employees who are already in the service prior to the approval of this Order shall be revised accordingly so that the annual basic rate shall be in currency of the country of assignment and in an amount that would not result in diminution in existing total take home pay.

#### SEC. 4. Compensation of Officers Temporarily In-Charge. –

(a) As Charge d' Affaires ad interim. – During the period that any Foreign Service Officer acts as charge d' affaires ad interim at the post to which he is assigned, he shall receive, subject to such rules and regulations as the Secretary may prescribe, the equivalent of the representation and other allowances of the chief of mission but shall not be given any increase in basic salary.

(b) As Officer-in-Charge of consulate general or consulate.- During the time that any Foreign Service Officer is temporarily in charge of a consulate or consulate general because of the absence or incapacity of the principal officer, he shall receive, subject to such rules and regulations as the Secretary may prescribe, the equivalent of the representation and other allowances to which the principal officer would be entitled were he at his post.

SEC. 5. Classification of Positions in the Foreign Service. – Under such regulations as he may prescribe, the Secretary shall classify all positions in the service, including those positions at foreign posts which may be held by career ministers, and shall allocate all positions occupied or to be occupied by staff officers and employees to classes and grades established by R.A. No. 708, as amended, and by alien employees to such classes and grades as may be established by regulation: Provided, That in case the present incumbent receives a salary more than the amount fixed under this Order, there shall be no distinction in the compensation of such incumbent by providing excess of salary to him while he remains in the same position.

#### Part II – Allowance of Foreign Service Personnel

SEC. 6. Rates and Policies on Allowances. The President shall approve, upon recommendation of the Secretary of Foreign Affairs and the Commissioner of the Budget, rates, maximum allowable amounts and policies on allowances which shall be applicable to all national government employees stationed abroad pursuant to the Foreign Service Compensation Decree.

#### SEC. 7. Living Quarters Allowance. –

(a) Commutable living quarters allowances shall be granted to officers or employees in the service assigned abroad, who are citizens of the Philippines. Such allowances may cover the rental of quarters including utilities, telephone and other maintenance expenses, which may be revised as to amounts not oftener than once a year with the approval of the President.

(b) On transfer from post allowances shall cease at the end of the month, following departure therefrom. Commutable living quarters allowance shall be granted at a per annum rate and shall be commuted and paid monthly beginning on the first day of the month following the arrival of the payee at his post of assignment: Provided, however, that the suitability of the said quarters in each post shall be officially certified under oath by the chief of mission or principal officer: And Provided, further, that the equivalent of said allowances corresponding to the first three (3) months following arrival at post shall be paid immediately upon its accrual. On transfer from post, allowances shall cease at the end of the month following departure therefrom;

(c) No living quarters allowances shall be paid to persons occupying government-owned, furnished and rented quarters. No allowances shall be paid for quarters occupied free or under arrangements with other parties permitting direct or indirect gain to the claimant or his family;

(d) If a person entitled to living quarters allowance occupies quarters owned by him, his wife or children, he shall be entitled to a quarters allowance equal to fifty (50%) percent rental value of the quarters. The Chief of Mission or Principal Officer, as the case may be, jointly with the Administrative Officer shall certify under their official oaths the rental value on the face of the case voucher;

(e) In case of detail of the officer or employee from his post of assignment (detail to the Home Office excluded), the quarters allowance shall cease to accrue from the first of the month following the date of his departure unless it can be shown that the rented quarters, used as his residence, has been retained at the post of assignment and the rentals thereof are continued, but in no case shall the allowance continue beyond three months without the prior personal approval of the Department Head. If the officer or employee owns the quarters occupied by him, payment of the allowance shall cease immediately unless otherwise authorized by the Department Head.

(f) In case an officer or employee is on home leave, the allowance shall cease to accrue from the first of the month following the date of his departure from his post unless it can be shown that the rented quarters used as residence, has been retained at the post of assignment, but in no case shall the allowance continue beyond three months. This regulation shall apply also in cases where extended leaves of absence are employed in any other place necessitating departure from the post of assignment. If the officer or employee owns the house occupied by him, the allowance shall be discontinued.

SEC. 8. Overseas Allowance. – Overseas allowance shall be given to any officer or employee in the service assigned abroad, who is a citizen of the Philippines, whenever the following conditions exist, as determined by the Secretary of Foreign Affairs:

(a) That the cost of living at a post abroad is proportionately so high that an allowance is necessary to enable an officer or employee at such post to carry on this work efficiently;

(b) That extraordinary and necessary expenses, not otherwise compensated for, are incurred by an officer or employee of the Foreign Service incident to the establishment of his residence at his post of assignment;

(c) That an allowance is necessary to assist an officer or employee of the Foreign Service who is compelled by reason of dangerous, notably unhealthful, or excessively adverse living conditions at his post abroad or for the convenience of the Government to meet the additional expense of maintaining assignment.

SEC. 9. Adjustments in the Overseas Allowances. – A Permanent Committee is hereby created, consisting of the Secretary of Foreign Affairs as Chairman and as members, the Commissioner of the Budget and the Governor of the Central Bank,