

[**EXECUTIVE ORDER NO. 218, January 01, 1995**]

**SECOND YEAR OF IMPLEMENTATION OF THE NEW SALARY
SCHEDULE IN THE GOVERNMENT**

WHEREAS, the government has adopted the new Salary Schedule contained in Joint Senate-House of Representatives Resolution No. 1, series of 1994;

WHEREAS, the new salary schedule was initially implemented in 1994 in accordance with Executive Order No. 164 and National Compensation Circular No. 72;

WHEREAS, the amount of P15.1 billion is appropriated in the CY 1995 General Appropriations Act to cover, among others, the adjustment in basic salary of government personnel as authorized by said Joint Resolution in amount not less than one thousand pesos (P1,000.00) per month for the second year implementation of the new Salary Schedule;

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

SECTION 1. New Salary Schedule. The Department of Budget and Management is hereby directed to implement a second interim Salary Schedule effective January 1, 1995 reflecting an increase of one thousand pesos (P1,000.00) over the basic monthly salaries of government personnel as of December 31, 1994.

Heads of all national government departments and agencies including government owned and/or controlled corporations and local government units shall not grant compensation adjustment in excess of the amount herein authorized.

SECTION 2. Coverage. This Order shall cover all officials and employees of the national government, government-owned and controlled corporations including government financial institutions, and local government units, whose basic salaries conform to the new Salary Schedule prescribed under Executive Order No. 164. Officials and employees whose basic pay are higher than those prescribed under the new Salary Schedule are not entitled to the salary increase authorized herein.

SECTION 3. Continuation of Personnel Economic Relief Allowance and Additional Compensation. Personnel Economic Relief Allowance and the additional compensation authorized under Administrative Order No. 53 shall continue to be paid as allowances and not integrated into basic pay.

SECTION 4. Funding Source. The funding sources for the amounts necessary to implement the revised compensation and position classification system shall be as follows:

a. For national government entities, the amount shall be charged against the appropriations set aside for the purpose in the 1995 General Appropriations Act and