

**[MEMORANDUM ORDER NO. 77, November 23,
1999]**

**PRESCRIBING THE SALARY OF THE PRESIDENT OF THE
PHILIPPINE DEPOSIT INSURANCE CORPORATION**

WHEREAS, the Philippine Deposit Insurance Corporation (PDIC) was created pursuant to Republic Act No. 3591, as amended, to provide insurance protection to bank depositors, to promote safe and banking practices in cooperation with the Bangko Sentral ng Pilipinas (BSP), to provide financial assistance to distressed banks, and to be mandatory receiver and liquidator of closed banks;

WHEREAS, to carry out these missions effectively, particularly in times of stress in the banking system, PDIC needs highly competent professionals of integrity with appropriate knowledge and skills in such areas as banking and finance, asset management and appraisal, disposal of assets and liquidation of liabilities, investigation of bank frauds, as well as information technology, which professionals have to be sourced from an intensely competitive labor market;

WHEREAS, PDIC and BSP perform complementary roles in the promotion and maintenance of a strong and stable banking system entailing similarities in bank supervision functions, and with PDIC primarily responsible for the functions pertaining to deposit insurance, financial assistance to distressed banks, and bank receivership and liquidation;

WHEREAS, PDIC is financially self-sufficient and fully capable of funding the incremental compensation adjustments of its personnel solely from its resources without recourse to the national government;

WHEREAS, Section 2-A of Republic Act No. 3591, as amended, authorizes the President of the Republic of the Philippines to fix the salary of the president of PDIC at a sum commensurate to the importance and responsibility attached to the position and the sum total of the salary of the president of PDIC and the allowances and other emoluments which the Board of Directors of PDIC may grant him shall then be the ceiling of fixing by the PDIC Board of Directors of the salary, allowances and other emoluments of all other personnel in the Corporation.

NOW, THEREFORE, I, JOSEPH EJERCITO ESTRADA, President of the Republic of the Philippines, by virtue of the powers vested in me by law, do hereby order the following:

SECTION 1. The basic salary of the president of PDIC shall be fixed at an amount equal to that of the Governor of the BSP, currently at P150 ,000, effective January 1, 1999, exclusive of allowances and other emoluments as have been granted or hereafter to be granted by the Board of Directors of PDIC, and hereby further delegates to said Board the authority to adjust the basic salary of the president of PDIC with each change in the salary of the latter (BSP Governor).