

AUTHORIZING THE IMPLEMENTATION OF STANDARD COMPENSATION AND POSITION CLASSIFICATION PLANS FOR THE INFRASTRUCTURE/UTILITIES GROUP OF GOVERNMENT OWNED OR CONTROLLED CORPORATIONS.

LETTER OF IMPLEMENTATION NO. 97, August 31, 1979

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WHEREAS, pursuant to the mandate of the Constitution, P.D. No. 985 was issued to standardized compensation of government officials and employees, including those in government-owned and controlled corporations, taking into account the nature of the responsibilities pertaining to, and the qualifications required for, the positions concerned;

WHEREAS, the said Decree authorizes the adoption of additional financial incentives for viable and profit-making corporations and those performing critical functions, to be supported from net earnings and profits of such corporations;

WHEREAS, for purposes of rationalizing Compensation and Position Classification systems for groups of corporations belonging to the same functional sectoral interests which presently maintain differing compensation and position classification plans, the said Decree and subsequently LOI No. 62, created Compensation Committees to formulate and recommend policies and standards governing classification, compensation, allowances and incentives for such groups or corporations;

WHEREAS, LOI No. 841 directed the Compensation Committees to submit immediately for Presidential approval, adjustments in salary, allowances and fringe benefits as may be called for by present economic conditions for government-owned and controlled corporations;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines by virtue of the powers vested in me by law, do hereby instruct the implementation of the Uniform Position Classification and Pay Plan for the Infrastructure and Utilities group of corporations:

- Scope of the Plan - The Position and Compensation Plans for the Infrastructure and Utilities group shall apply to the corporations in the transport, the power, the infrastructure, and the water utilities sector, as follows:

a. Transport Utilities

Philippine National Lines
Philippine Aerospace Development Corporation
Philippine National Railways
Metro Manila Transit Corporation

b. Power Utilities

National Power Corporation
National Electrification Administration

Cavite Electric and Development Authority

c. Infrastructure Utilities

National Irrigation Administration

Philippine Ports Authority

National Housing Authority

Farm Systems Development Corporation

Philippine Tourism Authority

d. Water Utilities

Local Water Utilities

Local Water Utilities Administration

Metropolitan Waterworks and Sewerage System

- Position Classification - Positions shall be classified using a Point Rating System on the basis of the following factors: education, experience, analysis, problem solving and ingenuity, decisions and judgment, financial and property responsibility, responsibility for supervision, responsibility for contacts, responsibility for confidential information, physical effort, and working conditions.

The position classification plans for each of the corporations in the Infrastructure/ utilities Group shall be determined on the basis of these factors and issued by the Minister of the Budget.

- Compensation Schedule - The schedule attached to this Letter shall comprise the compensation schedule applicable to positions paid on monthly or annual basis.

- Salaries for Top Three Management Positions - The compensation of the executive positions in a corporation shall depend upon the asset size of the corporation and upon its overall financial performance. The maximum levels of basic salary for the top positions in the largest corporations shall be as follows:

President/General Manager/Head

P96,000

Senior Deputy General Manager

81,600

Provided, That salaries actually being received by any in excess of these rates may continue, subject to item no. 6 hereof.

- Maximum Level Allowances and Benefits - Allowances and benefits may be provided by individual corporations but not to exceed the following schedule, subject to aggregate ceilings indicated in item no 6 hereof:

- Cost of living allowance of 40% of basic pay or P300 per month whichever is higher;

- Children's allowance of P30.00 per child, not to exceed 4 children;

- Amelioration allowance of 10% of basic pay;

- Uniform allowance not exceeding P500 per official/employee;

- Meal subsidy of P3.00 per day per officer/employee;
- Medical benefits equivalent to P2,500 per annum per official/ employee subject to forfeiture when not availed of during the year; and
- Representation and transportation allowances may be authorized by individual corporations for managerial and supervisory positions, subject to approval of the Ministry of the Budget, which shall not exceed 40% of basic pay.
- Implementing Details- Details for implementing the Position and Compensation Plan shall be issued by the Ministry of the Budget, which shall observe the following guidelines:
 - The increase shall be staggered within the limits of corporate financial performance;
 - The implemented total increase in basic salary, allowances and fringe benefits in any one year shall not exceed twenty five percent (25%) of the actual total personal services expenses of the immediately preceding year, adjusted for increases in staffing;
 - An across the board increase of ten per cent (10%) in basic salary shall be immediately implemented for the various corporations, except for senior executive positions where existing scales exceed those indicated by item no. 4 of this Letter. This shall be considered as an interim measure pending the completion of the position classification study described under item no. 2 hereof;
 - The allowances and/or fringe benefits of senior executives whose basic salary already exceed those specified in item no. 4 hereof may be increased to make up for any difference between actual compensation, now received and the amount otherwise authorized, under this Letter;
 - The hiring rate for positions shall be established for each corporation, depending upon its size and profitability. The initial categorization shall be "A" - the National Power Corporation, "B" - National Irrigation Administration, and "C" - all other corporations; and
 - The implementation schedule for corporations incurring a loss in 1978 shall be prepared by the corporations concerned hand in hand with a profit plan and shall be subject to case to case approval by the Ministry of the Budget.
- Effectivity Date - The Position Classification and Compensation Plans herein directed shall take effect on May 1, 1979.

Done in the City of Manila, this 31st day of August, in the year of Our Lord, nineteen hundred and seventy nine.

(Sgd.) FERDINAND E. MARCOS

President

Republic of the Philippines

By the President:

(Sgd.) JUAN C. TUVERA

Presidential Assistant

SALARY SCHEDULE (Montly/Annual Basis)

Salary

Grade

1st Step

2nd Step

3rd Step

4th Step

5th Step

6th Step

7th Step

8th Step

1

P 386/4680

P 405/4860

P 426/5112

P 448/5376

P 470/5640

P 494/5928

P 520/6440

P 546/6552

2

426/5112

448/5376

470/5640

494/5928

520/6240

546/6552

574/6888

603/7236

3

470/5640

494/5928

520/6240

546/6552

574/6888

603/7236

634/7608

666/7992

4

520/6240

546/6552

574/6888

603/7236

634/7608

666/7992

700/8400

736/8832

5

574/6888

603/7236

634/7608

666/7992

700/8400

736/8832

774/9288

813/9756

6

634/7608

666/7992

700/8400

736/8832

774/9288

813/9756

855/10260

898/10776

7

700/8400

736/8832

774/9288

813/9756

855/10260

898/10776

944/11328

992/11904

8

774/9288

813/9756

855/10260

898/10776

944/11328

992/11904

1043/12516

1096/13152

9

855/10250

898/10776

944/11328

992/11904

1043/12516

1096/13152

1152/13824

1211/14532

10

944/11328

992/11904

1043/12516

1096/13152

1152/13824

1211/14552

1272/15264

1337/16044

11

1043/12516

1096/13152

1152/13824

1211/14532

1272/15264

1357/16044

1405/16860

1477/17724

12

1152/13824

1211/14532

1272/15264

1337/16044

1405/16860

1477/17724

1553/18636

1632/19584

13

1272/15264

1337/16044

1405/16860

1477/17724

1553/18636

1632/19584

1715/20580

1807/21624

14

1405/16860

1477/17724

1553/18636

1632/19584

1715/20580

1807/21624

1894/22728

1991/23892

15

1553/18636

1632/190584

1715/20580

1807/21624

1894/22728

1991/23892

2093/25116

2199/26388

16

1715/20580

1807/21624

1894/22728

1991/23892

2093/25116

2199/26388

2311/27732

2429/29148

17

1894/22728

1991/23892

2093/25116

2199/26388

2311/27732

2429/29148

2552/30624

2682/32184

18

2093/25116

2199/26388

2311/27732

2429/29148

2552/30624

2682/32184

2818/33816

2961/35532

19

2311/27732

2429/29148

2552/30624

2682/32184

2818/33816

2961/35532

3112/37344

3270/39240

20

2552/30624

2682/32184

2818/33816

2961/35532

3112/37344

3270/39240

3436/41232

3611/43332

21

2818/33816

2961/35532

3112/37344

3270/39240

3436/41232

3611/43332

3795/45540

3988/47856

22

3112/37344

3270/39240

3436/41232

3611/43332

3795/45540

3988/47856

4191/50292

4404/52848

23

3436/41232

3611/43332

3795/45540

3988/47856

4191/50292

4404/52848

4628/55536

4860/58368

24

3795/45540

3988/47856

4191/50292

4404/52848

4628/55536

4860/58368

5112/61344

5373/64476

25

4191/50292

4404/52848

4628/55536

4860/58368

5112/61344

5373/64476

5647/67764

5935/71220

26

4628/55536

4860/58368

511/61344

5373/64476

5647/67764

5935/71220

6238/74856

6557/78684

27

5112/61344

5373/64476

5647/67764

5935/71220

6238/74856

6557/78684

6892/82704

7224/86928

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5647/67764

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7224/86928

7614/91368

8002/96024

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