

RELATIVE TO COMPENSATION LEVELS IN GOVERNMENT-OWNED OR CONTROLLED CORPORATIONS AND IN WAPCO/OCPC EXEMPT AGENCIES OF THE NATIONAL GOVERNMENT.

LETTER OF INSTRUCTION NO. 514, March 04, 1977

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TO:

The Commissioner of the Budget, Heads of Government-Owned and Controlled Corporations, including Government Financial Institutions, Heads of State Colleges and Universities, and all others concerned.

WHEREAS, the Boards and Managements of government owned or controlled corporations have adopted position classification and compensation plans that are sometimes inconsistent among themselves and with those of national government agencies to which they are attached; and

WHEREAS, major differences in compensation structure and policy among government units tend to result in undue personnel turnover in national government agencies and in increased equity capital inputs from the General Fund;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, do hereby issue the following instructions:

- The Heads of all National Government Agencies, government owned/or controlled corporation, government financial institutions, state colleges and universities and WAPCO/OCPC exempt national government agencies shall:
- Submit within thirty (30) days from the date hereof, to the President through the Budget Commission, information relating to salaries, fringes or supplemental benefits, allowances and other compensation other than basic pay granted to their personnel, following such format and procedure as the Budget Commission may determine and supported by current agency plantillas of personnel, duly accomplished position description forms for their personnel, the latest job evaluation plans or other formal compensation plans, if any.
- Submit to the Budget Commission within fifteen days of date hereof, information on salary increases granted after August 1976, indicating among others, the source of authority for the grant of such increases, the beneficiaries, the total amount required per annum, structure and components of the salary increase, and any increase in existing employee supplementary benefits or new benefits granted, and the funding source of any compensation increases during CY 1976 and CY 1977.
- Implement any changes in basic salary, allowances, bonuses, and other form of fringe benefits, and compensation only upon prior consultation with the approval of the Budget Commission, which shall act under such guidelines as shall be issued by the President, notwithstanding any exemption they may have from WAPCO/OCPC rules and regulations.
- The national government position classification and compensation plan shall apply to

government-owned/controlled corporations and similar government entities which depend on the General Fund for more than fifty per centum (50%) of their current operating expenditures and capital outlays, except where otherwise approved by the President on a case to case basis. This shall apply to all government corporations, notwithstanding any exemption they may have from the coverage of WAPCO/OCPC rules, regulations and scales.

- The Commissioner of the Budget shall conduct periodic compensation and position classification survey of government-owned/controlled corporations, government financial institutions, state colleges and universities and WACPO/OCPC exempt national government agencies and shall furnish results of its findings to the President and to the institutions surveyed.

- Exemptions from WACPO/OCPC coverage under the provisions of P.D. No. 985 or other law, Letters of Instructions or directive shall not be construed as being exempt from any compensation or position classification surveys that the Office of Compensation and Position Classification of the Budget Commission shall conduct from time to time.

- The Commissioner of the Budget shall submit a written report to the President on the status of implementation of this Letter of Instructions within one (1) month, including a list of the corporations, state colleges and universities and other agencies that failed to comply with these instructions.

- This Letter of Instructions shall take effect immediately.

Done in the City of Manila, this 4th day of March, in the year of Our Lord, nineteen hundred and seventy-seven.

(Sgd.) FERDINAND E. MARCOS
President of the Philippines

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