

EXECUTIVE ORDER NO. 22

**GRANT OF SALARY ADJUSTMENT TO ALL GOVERNMENT PERSONNEL**

WHEREAS, the Government fully appreciates the valuable role of government employees in providing vital services to the population at large;

WHEREAS, in recognition of this vital role, it is the policy of the Government to continuously uplift, within its limited financial resources, the living standards of government employees and to improve their welfare;

WHEREAS, pursuant to this policy, the Government deems it proper to increase the salaries of government employees to keep them in step with the existing economic conditions and ameliorate their plight;

WHEREAS, under Republic Act (RA) No. 9137 or the Supplemental Appropriations for FY 2001 an amount is appropriated for a five percent (5%) across-the-board adjustment in basic salary of national government personnel;

NOW THEREFORE I, GLORIA MACAPAGAL ARROYO, President of the Philippines, by virtue of the powers vested in me by the Constitution, RA 6758, Presidential Decree (PD) No. 1597 and PD No. 985, do hereby order and direct:

**SECTION 1. *New Salary Schedules.*** The Department of Budget and Management is hereby directed to implement new Salary Schedules effective July 1, 2001 reflecting a five percent (5%) increase over the basic monthly salaries as of June 30, 2001 of civilian and uniformed personnel except the uniformed personnel of Philippine National Police (PNP) who are covered by RA 8551, as follows:

a. For Civilian Personnel

The salary adjustment for civilian personnel shall be in accordance with the attached Salary Schedule marked as Annex "A" of this Order. The adjustment shall be to the designated salary step of the employee in the salary grade allocation of his position as of June 30, 2001.

b. For Uniformed Personnel Except those in the PNP

The salary adjustment of the uniformed personnel except those in the PNP shall be in accordance with the attached Salary Schedule marked as Annex "B" of this Order.

Heads of all National Government Agencies (NGAs) including Government-Owned and/or -Controlled Corporations (GOCCs), Government Financial Institutions (GFIs) and Local Government Units (LGUs) shall not grant any form of compensation adjustment in excess of the amount stipulated in the said Salary Schedules.

**SECTION 2. Coverage.** This order shall cover only officials and employees of NGAs including GOCCs, GFIs and LGUs whose basic salaries conform with the Salary Schedule prescribed under Executive Order No. 219 dated March 20, 2000.

**SECTION 3. Exemption.** Officials and employees of agencies which are exempted by law from the Position Classification and Compensation System (PCCS) and/or do not follow the Salary Schedule prescribed for government personnel are not entitled to the salary adjustment authorized herein.

**SECTION 4. Integration of Transition Allowance.** The transition allowance being received by incumbents shall be considered as advance entitlement of the salary increase herein authorized and therefore integrated into the salary rates contained in the Salary Schedule marked as Annex A.

**SECTION 5. Allowances and Benefits Based on Percentage of Basic Salaries.** Notwithstanding the salary increases authorized herein, there shall be no corresponding increase in the present allowances and benefits being received by officials and employees which are based on a percentage of their basic salaries.

**SECTION 6. Funding Source.** The funding sources for the amounts necessary to implement the revised compensation shall be as follows:

- a. For NGAs, the amount shall be charged against their savings and from Salary Adjustment Fund under RA 9137. Thereafter, such amounts as are needed shall be included in the annual General Appropriations Act.
- b. For GOCCs and GFIs, the amount shall come from their respective corporate funds.
- c. For LGUs, the amount shall be charged against their respective local funds.

GOCCs, GFIs and LGUs which do not have adequate or sufficient funds to pay the salary adjustment prescribed herein shall only partially implement the established rates: *Provided*, That any partial implementation shall be uniform and proportionate for all positions in each corporate entity or local government unit.



SECTION 7. *Applicability to Certain Constitutional Officials.* Pursuant to Section 6 of Article VII and Section 10 of Article VI of the Constitution, the salary adjustment prescribed herein for the President and the Vice-President shall take effect only after the expiration of the terms of the incumbents during which such adjustment was approved, and with respect to the Senators and the Members of the House of Representatives, only after the expiration of the full term of all the members of the Senate and House of Representatives that approved the salary adjustment authorized under RA 9137.

SECTION 8. *Implementing Guidelines.* The Department of Budget and Management shall prepare and issue the necessary guidelines for the implementation of this Executive Order.

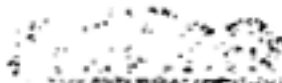
SECTION 9. *Effectivity.* This Executive Order shall take effect July 1, 2001.

By the President:



  
**ALBERTO G. ROMULO**  
Executive Secretary

Manila, June 27, 2001



PGMA Outgoing # 03440

**CERTIFIED COPY:**

  
**AURORA T. AQUINO**  
Director IV  
Malacañang Records Office

*Handwritten initials*

