

Annex A

The Evolution of the Position Classification and Compensation System in the Philippine Government

Particulars	American Regime	Commonwealth Regime	Philippine Republic		
Legal basis	Act No. 102, "An Act Regulating the Salaries of Officers and Employees in the Philippine Civil Service," dated March 9, 1901	Commonwealth Act No. 402, "An Act to Provide for the Classification of Positions and Standardization of Salaries in the Government," dated September 13, 1938.	Reorganization Plan 1-A (The Position Classification Plan), and Reorganization Plan 2-A (The Pay Plan) both dated May 5, 1956	Presidential Decree No. 985, "Budgetary Reform Decree on Compensation and Position Classification of 1976," dated August 22, 1976 as amended by PD No. 1597, dated June 11, 1978	Republic Act No. 6758, the "Compensation and Position Classification Act of 1979," dated August 21, 1989
Bases of classification	Salary	Duties and responsibilities of the position	Duties, responsibilities and qualification requirements of the position	Duties, responsibilities and qualification requirements of the position	Duties, responsibilities and qualification requirements of the position
Coverage	Officers and employees of the Philippine Civil Service	Officials and employees embraced in the classified and unclassified service	All positions in the national government and its instrumentalities, including quasi-public corporations	All positions in the national government, including government-owned or controlled corporations and government financial institutions	All positions in the government, including government-owned and controlled corporations and government financial institutions
Exemption	Officers and employees of the Department of Mindanao and Sulu	<ol style="list-style-type: none"> 1. Elective officers and officers whose compensation were fixed in the Constitution 2. Officers chosen by the 	<ol style="list-style-type: none"> 1. Elected officers and officers whose compensation were fixed in the Constitution 2. Officers and emplo- 	<ol style="list-style-type: none"> 1. Elected officers and officers whose compensation were fixed in the Constitution 2. Local government 	Those expressly exempted by subsequent laws

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		<p>National Assembly in accordance with the Constitution</p> <p>3. Employees stationed outside the territorial limits of the Philippines</p> <p>4. The President, deans of colleges, directors of schools, the registrar, the business director and members of the teaching staff of the University of the Philippines</p> <p>5. Commissioned and enlisted members in the active service of the Philippine Army</p> <p>6. Persons in the military, naval or civil service of the United States who were appointed or detailed to perform duties in the Government of the Commonwealth</p> <p>7. Employees declared by the President of the Philippines as primarily confidential or highly technical</p>	<p>yees of the legislative and judicial departments of the government</p> <p>3. Secretaries and undersecretaries of departments of the government</p> <p>4. Members of the Armed Forces</p> <p>5. Officers and employees of the Foreign Service</p> <p>6. Provincial, municipal and local officials</p>	<p>officials and employees, who were governed by PD No. 1136</p>	

Particulars	American Regime	Commonwealth Regime	Philippine Republic		
Number of services/ occupational services		7 services			19 occupational services
Number of occupational groups	2 groups (first and second)		237 occupational groups	271 occupational groups	206 occupational groups
Number of classes of positions	21 classes of positions		2,259 classes of positions	Number of classes were reduced from 4,300 to 2,700	Number of classes were reduced from more than 5,000 to 2,541
Salary structure	First Group (10 classes – 1 to 10) Second Group (11 classes – A to K)	10 grades with 3 rates of compensation The highest, Grade 1, had 3 rates. The lowest, Grade 10, had 2 rates.	75 salary ranges with 5 salary steps each	28 salary grades with 8 salary steps each	33 salary grades with 8 salary steps each
Agency responsible	Civil Service Board composed of the Commissioner of the Civil Service Commission as Chairman and Commissioner of the Budget and the Auditor-General as Members	Salary Board was renamed Salary Committee during WW II. Chairmanship was transferred to the Auditor-General in 1945 and to the Commissioner of the Budget in 1947.	Wage and Position Classification Office (WAPCO), Budget Commission	Office of Compensation and Position Classification (OCPC), Budget Commission	Compensation and Position Classification Bureau (CPCB), now Organization, Position Classification and Compensation Bureau, Department of Budget and Management