

SENATE

S. No. 2671

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PREPARED BY THE COMMITTEES ON CIVIL SERVICE  
AND GOVERNMENT REORGANIZATION; NATIONAL  
DEFENSE AND SECURITY; AND FINANCE WITH  
SENATORS TRILLANES IV, RECTO, ESCUDERO,  
LEGARDA, GUINGONA III, VILLAR AND DRILON

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AN ACT MODIFYING THE COMPENSATION AND  
POSITION CLASSIFICATION SYSTEM OF  
CIVILIAN GOVERNMENT PERSONNEL AND THE  
BASE PAY SCHEDULE OF MILITARY AND  
UNIFORMED PERSONNEL IN THE  
GOVERNMENT, AND FOR OTHER PURPOSES

*Be it enacted by the Senate and House of Representatives of  
the Philippines in Congress assembled:*

- 1 SECTION 1. *Title.* – This Act shall be known as the  
2 "Salary Standardization Law of 2015" or the "SSL 2015".  
3 SEC. 2. *Statement of Policy.* – It is hereby declared  
4 the policy of the State to provide all government personnel

- 1 a just and equitable compensation in accordance with the  
2 principle of equal pay for work of equal value. In pursuing  
3 this policy, the State shall ensure that:  
4 (a) Differences in pay shall be based upon  
5 substantive differences in duties, responsibilities,  
6 accountabilities and qualification requirements of the  
7 positions.  
8 (b) Compensation for all civilian government  
9 personnel shall be standardized and rationalized across all  
10 government agencies to create an enabling environment  
11 that will promote social justice, integrity, efficiency,  
12 productivity, accountability and excellence in the civil  
13 service  
14 SEC. 3. *Governing Principles.* – The following  
15 principles shall govern the implementation of the  
16 Compensation and Position Classification System (CPCS)  
17 for civilian government personnel and Base Pay Schedule  
18 for the military and uniformed personnel:

1 (a) The performance-based incentive system shall  
 2 be strengthened through the integration of personnel and  
 3 organizational performance to reward deserving  
 4 government personnel and well-performing institutions;

5 (b) The compensation for government personnel  
 6 shall be kept fair and reasonable in recognition of fiscal  
 7 realities and an efficient allocation of Personnel Services  
 8 (PS) cost which shall be maintained at a manageable level  
 9 in proportion to the overall expenditure of the government;

10 (c) The CPCS shall be periodically reviewed every  
 11 three (3) years, taking into account the competitiveness of  
 12 government pay relative to the private sector, changes in  
 13 skills and competency requirement in the bureaucracy,  
 14 demand for certain expertise, possible erosion in the  
 15 purchasing power due to inflation, and other factors;

16 (d) The compensation for all civilian government  
 17 personnel shall be competitive with those in the private  
 18 sector doing comparable work in order to attract, retain

1 and motivate a corps of effective, efficient, professional,  
 2 committed and competent civil servants;

3 (e) The compensation scheme shall ensure higher net  
 4 take-home pay for government personnel; and

5 (f) The compensation system for the military and  
 6 uniformed personnel shall likewise promote pay equity for  
 7 an effective, efficient, committed, competent and motivated  
 8 corps of officers and enlisted personnel. The base pay  
 9 increase for military and uniformed personnel shall take  
 10 into consideration the prevailing fiscal realities,  
 11 particularly the effect on pension and the capacity of the  
 12 government to sustain the payment thereof.

13 SEC. 4. Coverage. - The CPCS herein provided shall  
 14 apply to all civilian government personnel in the  
 15 Executive, Legislative and Judicial Branches,  
 16 Constitutional Commissions and other Constitutional  
 17 Offices, Government-Owned or Controlled Corporations  
 18 (GOCCs) not covered by Republic Act No. 10149, and local

1 government units (LGUs). This shall cover government  
 2 personnel whether regular, contractual or casual,  
 3 appointive or elective; and on full-time or part-time basis.

4 SEC. 5. *Exclusions.* - The following shall be excluded  
 5 from the coverage of the CPCS:

6 (a) Military and uniformed personnel which shall  
 7 be covered by the provisions of Section 11 hereof;

8 (b) GOCCs under Republic Act No. 10149 which  
 9 shall be covered by a CPCS established by the Governance  
 10 Commission for GOCCs (GCG); and

11 (c) Individuals whose services are engaged through  
 12 job orders, contracts of service, consultancy contracts, and  
 13 service contracts with no employer-employee relationship.

14 SEC. 6. *Administration of the CPCS.* - As the  
 15 administrator of the CPCS, the Department of Budget and  
 16 Management (DBM) shall undertake the following:

1 (a) Modify and update the Index of Occupational  
 2 Services, Occupational Groups, Classes and Salary Grades  
 3 (IOS) as deemed necessary.

4 (b) Classify and reclassify positions as to the  
 5 appropriate position titles and salary grades guided by the  
 6 Benchmark Position Schedule prescribed herein and the  
 7 following factors:

8 (1) The education, experience, and competencies  
 9 required to perform the duties and responsibilities of the  
 10 positions;

11 (2) The nature and complexity of the work to be  
 12 performed;

13 (3) The kind of supervision received and/or  
 14 exercised;

15 (4) Decision-making responsibility;

16 (5) Accountability for funds, properties, equipment,  
 17 and records;

1 (6) Hardship, hazard and personal risk involved in  
2 the job; and

3 (7) The demand for certain expertise.

4 (c) Conduct compensation surveys on private  
5 industry to determine prevailing practices and rates of pay  
6 for comparable work in the government;

7 (d) Formulate and issue the implementing  
8 guidelines on approved changes in the salary schedule, and  
9 the criteria and guidelines for approved changes in the  
10 rates of allowances, benefits and incentives; and

11 (e) Resolve issues on the implementation of the  
12 CPCS.

13 SEC. 7. *Position Classification System.* - A Position  
14 Classification System shall be implemented and  
15 administered to organize and group positions by  
16 occupational groups, series, and classes, according to  
17 similarities or differences in duties and responsibilities,  
18 and qualification requirements pursuant to the policies,

1 rules and regulations issued by the DBM. The Position  
2 Classification System shall be the basis for determining  
3 the appropriate position title, level, and salary grade.

4 (a) Categories of Positions. - The categories of  
5 positions shall be as follows: (i) sub-professional category;  
6 (ii) professional category; and (iii) executive category.

7 (1) Sub-professional Category. - This category  
8 includes positions involved in routine, manual, or clerical  
9 work in support of office operations or those engaged in  
10 arts, crafts, and trades.

11 These positions require completion of up to  
12 elementary education, secondary or vocational education or  
13 completion of at least two (2) years of college education,  
14 and skills acquired through training and moderate to  
15 considerable experience and knowledge of a limited subject  
16 matter or skills in arts, crafts, trades, manual and clerical  
17 work.

1 (2) Professional category. - This category includes  
 2 positions performing analytical, technical and  
 3 administrative work requiring the exercise of profession,  
 4 application of knowledge acquired through formal training  
 5 in a particular field, or use of natural, creative and artistic  
 6 ability or talent in arts and letters.

7 These positions generally require thorough  
 8 knowledge in the field of arts and sciences or learning  
 9 acquired through the completion of a bachelor's, master's  
 10 or doctorate degrees.

11 (3) Executive category. - This category includes  
 12 managerial positions involved in the execution of laws,  
 13 rules and regulations, both in the national and local  
 14 governments, in the legislation of laws and ordinances, and  
 15 in the administration of justice. Appointive executive  
 16 positions require thorough knowledge acquired through  
 17 completion of at least a bachelor's degree. Elective  
 18 executive positions only require knowledge acquired

1 through the minimum education prescribed by the  
 2 Constitution and existing laws.

3 (b) Index of Occupational Services, Occupational  
 4 Groups, Classes and Salary Grades. - The IOS shall  
 5 contain all occupational groups, position titles, and salary  
 6 grades for all civilian government personnel. The existing  
 7 levels of positions shall be reviewed to convert them to the  
 8 more appropriate number of levels that recognizes  
 9 reasonable gradations in the levels of difficulty, substantial  
 10 changes and complexity of the duties and responsibilities of  
 11 positions, work methods, skills, competencies and other  
 12 relevant factors and to convert them into generic, brief but  
 13 descriptive, and gender-neutral class or position titles.

14 (c) Modification of Position Classification System. -  
 15 Any modification of the Position Classification System  
 16 shall be subject to the following guidelines:

1 (1) That positions are to be classified on the basis of  
2 their duties and responsibilities, and qualification  
3 requirements;

4 (2) That new position titles are to be created only  
5 when there are new sets of duties and responsibilities; and

6 (3) That position titles may be created, abolished,  
7 consolidated or divided as a result of organization,  
8 reorganization, and/or substantial changes in duties and  
9 responsibilities, and work methods.

10 SEC. 8. *Compensation System.* - A Compensation  
11 System shall be administered to determine the rates of pay  
12 for employees based on the position classification. The  
13 Compensation System shall consist of: (i) the salary  
14 schedule; (ii) set of allowances, benefits and incentives; (iii)  
15 policies, rules and regulations on the administration of the  
16 salary schedule and grant of allowances, benefits and  
17 incentives.

1 (a) Total Compensation Framework - The total  
2 compensation to be given to all civilian government  
3 personnel for services rendered shall be limited to the  
4 following:

5 (1) Basic Salaries, including Step Increments;

6 (2) Standard Allowances and Benefits;

7 (3) Specific-Purpose Allowances and Benefits; and

8 (4) Incentives and performance-based pay.

9 *Provided, That the Total Compensation Framework*  
10 *shall exclude all indirect compensation under existing laws*  
11 *such as, but not limited to, life and retirement insurance*  
12 *benefits; employee compensation insurance; health*  
13 *insurance; Pag-IBIG Fund benefits; and provident fund*  
14 *benefits.*

15 (b) Compensation Adjustment Strategy. - The  
16 strategy for this new compensation scheme is to bring the  
17 pay of government personnel closer to the prevailing rates  
18 in the private sector to attract and retain competent and

1 committed personnel in the public sector. For this purpose,  
2 this Act shall:

3 (1) Raise the minimum salary for Salary Grade 1  
4 from the current rate of Nine thousand pesos (P9,000) to  
5 Eleven thousand sixty-eight pesos (P11,068) to make it  
6 even more competitive with the market rates;

7 (2) Bring the compensation of government  
8 personnel closer to their private counterparts to at least  
9 seventy percent (70%) of the market rate for all salary  
10 grades;

11 (3) Ensure that authorized salaries for each of the  
12 salary grade allocation of government personnel shall not  
13 overlap to recognize differences in duties and  
14 responsibilities for the position;

15 (4) Provide for a compensation adjustment partly as  
16 basic salary and partly as mid-year 14<sup>th</sup> month pay to  
17 maximize the employees' net take home pay; and

1 (5) Strengthen the link between government pay  
2 and performance by enhancing the performance-based  
3 bonus to recognize the government personnel who play a  
4 greater role and carry a heavier responsibility in improving  
5 performance.

6 (c) Implementation schedule. – The SSL 2015 shall  
7 be implemented in four tranches.

8 (1) In January 1, 2016, the compensation  
9 adjustment will be in the form of the first tranche salary  
10 increase and a mid-year bonus.

11 (2) By January 1, 2017, the compensation  
12 adjustment will consist of the second tranche salary  
13 increase, the Mid-Year Bonus and a fifty percent (50%)  
14 implementation of the enhanced performance-based bonus.

15 (3) By January 1, 2018, the compensation  
16 adjustment will include the third tranche salary increase,  
17 mid-year bonus and the enhanced performance-based  
18 bonus.

1 (4) Finally in January 1, 2019, the full  
 2 implementation of the SSL 2015 will be composed of the  
 3 final tranche salary increase, the mid-year bonus and the  
 4 enhanced performance-based bonus.

5 (d) New Salary Rates, including Step Increments. —  
 6 The modified Salary Schedule for Civilian Personnel, to be  
 7 implemented in four (4) tranches, shall be as follows:

8 First Tranche

| Salary Grade | Step 1 | Step 2 | Step 3 | Step 4 | Step 5 | Step 6 | Step 7 | Step 8 |
|--------------|--------|--------|--------|--------|--------|--------|--------|--------|
| 1            | 9,478  | 9,568  | 9,660  | 9,753  | 9,846  | 9,943  | 10,036 | 10,132 |
| 2            | 10,159 | 10,255 | 10,351 | 10,449 | 10,547 | 10,647 | 10,747 | 10,848 |
| 3            | 10,833 | 10,935 | 11,039 | 11,143 | 11,248 | 11,355 | 11,462 | 11,571 |
| 4            | 11,558 | 11,767 | 11,978 | 12,190 | 12,403 | 12,617 | 12,833 | 13,048 |
| 5            | 12,488 | 12,644 | 12,802 | 12,961 | 13,121 | 13,282 | 13,444 | 13,606 |
| 6            | 13,378 | 13,504 | 13,630 | 13,759 | 13,889 | 14,020 | 14,152 | 14,285 |
| 7            | 14,331 | 14,466 | 14,602 | 14,740 | 14,878 | 15,018 | 15,159 | 15,303 |
| 8            | 15,368 | 15,519 | 15,670 | 15,823 | 15,978 | 16,133 | 16,291 | 16,450 |
| 9            | 16,512 | 16,671 | 16,830 | 16,992 | 17,155 | 17,319 | 17,486 | 17,653 |
| 10           | 17,730 | 17,900 | 18,071 | 18,245 | 18,420 | 18,634 | 18,775 | 18,955 |
| 11           | 19,077 | 19,286 | 19,496 | 19,709 | 19,925 | 20,142 | 20,362 | 20,585 |
| 12           | 20,651 | 20,870 | 21,091 | 21,315 | 21,540 | 21,769 | 21,999 | 22,232 |
| 13           | 22,328 | 22,564 | 22,804 | 23,046 | 23,289 | 23,536 | 23,786 | 24,037 |
| 14           | 24,141 | 24,396 | 24,655 | 24,916 | 25,180 | 25,447 | 25,717 | 25,989 |
| 15           | 26,192 | 26,469 | 26,750 | 27,034 | 27,401 | 27,772 | 28,147 | 28,524 |

| Salary Grade | Step 1  | Step 2  | Step 3  | Step 4  | Step 5  | Step 6  | Step 7  | Step 8  |
|--------------|---------|---------|---------|---------|---------|---------|---------|---------|
| 16           | 28,417  | 28,740  | 29,066  | 29,396  | 29,729  | 30,066  | 30,408  | 30,752  |
| 17           | 30,831  | 31,183  | 31,536  | 31,893  | 32,255  | 32,622  | 32,991  | 33,365  |
| 18           | 33,452  | 33,831  | 34,215  | 34,603  | 34,996  | 35,393  | 35,795  | 36,201  |
| 19           | 36,409  | 36,857  | 37,312  | 37,771  | 38,237  | 38,709  | 39,186  | 39,670  |
| 20           | 39,768  | 40,259  | 40,755  | 41,258  | 41,766  | 42,281  | 42,802  | 43,330  |
| 21           | 43,439  | 43,974  | 44,517  | 45,066  | 45,621  | 46,183  | 46,753  | 47,329  |
| 22           | 47,448  | 48,032  | 48,625  | 49,224  | 49,831  | 50,445  | 51,067  | 51,697  |
| 23           | 51,826  | 52,466  | 53,112  | 53,767  | 54,430  | 55,101  | 55,781  | 56,468  |
| 24           | 56,610  | 57,308  | 58,014  | 58,730  | 59,453  | 60,187  | 60,928  | 61,679  |
| 25           | 61,971  | 62,735  | 63,508  | 64,291  | 65,083  | 65,885  | 66,698  | 67,520  |
| 26           | 67,690  | 68,524  | 69,369  | 70,224  | 71,090  | 71,967  | 72,856  | 73,751  |
| 27           | 73,837  | 74,849  | 75,771  | 76,705  | 77,651  | 78,608  | 79,577  | 80,567  |
| 28           | 80,760  | 81,756  | 82,764  | 83,784  | 84,817  | 85,862  | 86,921  | 87,993  |
| 29           | 88,214  | 89,301  | 90,402  | 91,516  | 92,644  | 93,786  | 94,943  | 96,113  |
| 30           | 96,354  | 97,543  | 98,745  | 99,962  | 101,195 | 102,442 | 103,705 | 104,984 |
| 31           | 117,086 | 118,623 | 120,180 | 121,758 | 123,356 | 124,975 | 126,616 | 128,278 |
| 32           | 135,376 | 137,174 | 138,996 | 140,843 | 142,714 | 144,610 | 146,531 | 148,478 |
| 33           | 160,924 | 165,752 |         |         |         |         |         |         |

Second Tranche

| Salary Grade | Step 1 | Step 2 | Step 3 | Step 4 | Step 5 | Step 6 | Step 7 | Step 8 |
|--------------|--------|--------|--------|--------|--------|--------|--------|--------|
| 1            | 9,981  | 10,072 | 10,165 | 10,258 | 10,352 | 10,453 | 10,543 | 10,640 |
| 2            | 10,667 | 10,761 | 10,856 | 10,952 | 11,049 | 11,147 | 11,245 | 11,345 |
| 3            | 11,387 | 11,488 | 11,589 | 11,691 | 11,795 | 11,899 | 12,004 | 12,110 |
| 4            | 12,165 | 12,262 | 12,371 | 12,480 | 12,591 | 12,702 | 12,814 | 12,927 |
| 5            | 12,975 | 13,117 | 13,206 | 13,322 | 13,440 | 13,559 | 13,679 | 13,799 |
| 6            | 13,851 | 13,973 | 14,096 | 14,221 | 14,347 | 14,474 | 14,602 | 14,731 |

| Salary Grade | Step 1  | Step 2  | Step 3  | Step 4  | Step 5  | Step 6  | Step 7  | Step 8  |
|--------------|---------|---------|---------|---------|---------|---------|---------|---------|
| 7            | 14,786  | 14,916  | 15,048  | 15,181  | 15,315  | 15,450  | 15,587  | 15,725  |
| 8            | 15,818  | 15,969  | 16,121  | 16,275  | 16,430  | 16,586  | 16,744  | 16,903  |
| 9            | 16,986  | 17,142  | 17,299  | 17,458  | 17,618  | 17,780  | 17,943  | 18,106  |
| 10           | 18,217  | 18,385  | 18,553  | 18,724  | 18,896  | 19,065  | 19,244  | 19,421  |
| 11           | 19,620  | 19,853  | 20,088  | 20,325  | 20,567  | 20,811  | 21,058  | 21,307  |
| 12           | 21,387  | 21,626  | 21,868  | 22,113  | 22,361  | 22,611  | 22,864  | 23,120  |
| 13           | 23,257  | 23,517  | 23,780  | 24,047  | 24,315  | 24,587  | 24,863  | 25,141  |
| 14           | 25,290  | 25,573  | 25,859  | 26,149  | 26,441  | 26,737  | 27,036  | 27,339  |
| 15           | 27,565  | 27,887  | 28,214  | 28,544  | 28,877  | 29,214  | 29,557  | 29,902  |
| 16           | 30,044  | 30,396  | 30,751  | 31,111  | 31,474  | 31,843  | 32,215  | 32,592  |
| 17           | 32,747  | 33,131  | 33,518  | 33,909  | 34,305  | 34,707  | 35,113  | 35,524  |
| 18           | 35,693  | 36,111  | 36,532  | 36,960  | 37,392  | 37,829  | 38,272  | 38,719  |
| 19           | 39,151  | 39,685  | 40,227  | 40,776  | 41,333  | 41,898  | 42,470  | 43,051  |
| 20           | 43,250  | 43,841  | 44,440  | 45,047  | 45,662  | 46,285  | 46,917  | 47,559  |
| 21           | 47,779  | 48,432  | 49,094  | 49,764  | 50,443  | 51,132  | 51,831  | 52,539  |
| 22           | 52,763  | 53,503  | 54,234  | 54,975  | 55,726  | 56,487  | 57,258  | 58,040  |
| 23           | 58,310  | 59,106  | 59,913  | 60,732  | 61,561  | 62,402  | 63,255  | 64,118  |
| 24           | 64,416  | 65,295  | 66,187  | 67,092  | 68,008  | 68,937  | 69,878  | 70,832  |
| 25           | 71,476  | 72,452  | 73,441  | 74,444  | 75,461  | 76,491  | 77,536  | 78,595  |
| 26           | 78,960  | 80,039  | 81,132  | 82,240  | 83,363  | 84,502  | 85,657  | 86,825  |
| 27           | 87,229  | 88,420  | 89,628  | 90,852  | 92,093  | 93,351  | 94,625  | 95,925  |
| 28           | 96,363  | 97,679  | 99,013  | 100,366 | 101,736 | 103,126 | 104,534 | 105,962 |
| 29           | 106,454 | 107,908 | 109,382 | 110,875 | 112,390 | 113,925 | 115,481 | 117,058 |
| 30           | 117,601 | 119,208 | 120,836 | 122,486 | 124,159 | 125,855 | 127,573 | 129,316 |
| 31           | 152,925 | 154,649 | 157,008 | 159,404 | 161,836 | 164,305 | 166,812 | 169,357 |
| 32           | 177,929 | 180,700 | 183,513 | 186,372 | 189,274 | 192,221 | 195,215 | 198,255 |
| 33           | 215,804 | 222,278 |         |         |         |         |         |         |

Third Tranche

| Salary Grade | Step 1  | Step 2  | Step 3  | Step 4  | Step 5  | Step 6  | Step 7  | Step 8  |
|--------------|---------|---------|---------|---------|---------|---------|---------|---------|
| 1            | 10,510  | 10,602  | 10,695  | 10,789  | 10,884  | 10,982  | 11,078  | 11,173  |
| 2            | 11,200  | 11,293  | 11,386  | 11,480  | 11,575  | 11,671  | 11,767  | 11,864  |
| 3            | 11,914  | 12,013  | 12,112  | 12,212  | 12,313  | 12,414  | 12,517  | 12,620  |
| 4            | 12,674  | 12,778  | 12,884  | 12,990  | 13,097  | 13,206  | 13,315  | 13,424  |
| 5            | 13,481  | 13,605  | 13,705  | 13,818  | 13,932  | 14,047  | 14,163  | 14,280  |
| 6            | 14,340  | 14,459  | 14,578  | 14,699  | 14,820  | 14,942  | 15,066  | 15,190  |
| 7            | 15,254  | 15,380  | 15,507  | 15,635  | 15,765  | 15,895  | 16,026  | 16,158  |
| 8            | 16,282  | 16,433  | 16,585  | 16,739  | 16,895  | 17,051  | 17,209  | 17,369  |
| 9            | 17,473  | 17,627  | 17,781  | 17,937  | 18,095  | 18,253  | 18,413  | 18,575  |
| 10           | 18,718  | 18,883  | 19,048  | 19,215  | 19,384  | 19,567  | 19,725  | 19,896  |
| 11           | 20,179  | 20,437  | 20,696  | 20,963  | 21,231  | 21,502  | 21,777  | 22,056  |
| 12           | 22,149  | 22,410  | 22,674  | 22,942  | 23,212  | 23,486  | 23,763  | 24,043  |
| 13           | 24,224  | 24,510  | 24,799  | 25,091  | 25,387  | 25,686  | 25,989  | 26,296  |
| 14           | 26,494  | 26,805  | 27,122  | 27,442  | 27,766  | 28,093  | 28,424  | 28,759  |
| 15           | 29,010  | 29,359  | 29,713  | 30,071  | 30,432  | 30,799  | 31,170  | 31,545  |
| 16           | 31,765  | 32,147  | 32,535  | 32,926  | 33,323  | 33,724  | 34,130  | 34,541  |
| 17           | 34,761  | 35,201  | 35,624  | 36,053  | 36,487  | 36,927  | 37,371  | 37,821  |
| 18           | 38,085  | 38,543  | 39,007  | 39,477  | 39,952  | 40,433  | 40,920  | 41,413  |
| 19           | 42,099  | 42,730  | 43,371  | 44,020  | 44,686  | 45,350  | 46,030  | 46,720  |
| 20           | 47,037  | 47,742  | 48,457  | 49,184  | 49,921  | 50,669  | 51,428  | 52,199  |
| 21           | 52,554  | 53,341  | 54,141  | 54,952  | 55,776  | 56,612  | 57,460  | 58,322  |
| 22           | 58,717  | 59,597  | 60,491  | 61,397  | 62,318  | 63,252  | 64,200  | 65,162  |
| 23           | 65,604  | 66,587  | 67,585  | 68,598  | 69,627  | 70,670  | 71,730  | 72,805  |
| 24           | 73,299  | 74,397  | 75,512  | 76,644  | 77,793  | 78,959  | 80,143  | 81,344  |
| 25           | 82,439  | 83,674  | 84,928  | 86,201  | 87,493  | 88,805  | 90,136  | 91,487  |
| 26           | 92,108  | 93,488  | 94,889  | 96,312  | 97,755  | 99,221  | 100,708 | 102,217 |
| 27           | 102,910 | 104,453 | 106,019 | 107,608 | 109,221 | 110,858 | 112,519 | 114,210 |
| 28           | 114,981 | 116,704 | 118,453 | 120,229 | 122,031 | 123,860 | 125,716 | 127,601 |
| 29           | 128,467 | 130,392 | 132,346 | 134,330 | 136,343 | 138,387 | 140,461 | 142,566 |
| 30           | 143,534 | 145,685 | 147,869 | 150,085 | 152,335 | 154,618 | 156,935 | 159,288 |

| Salary Grade | Step 1  | Step 2  | Step 3  | Step 4  | Step 5  | Step 6  | Step 7  | Step 8  |
|--------------|---------|---------|---------|---------|---------|---------|---------|---------|
| 31           | 198,158 | 201,615 | 205,121 | 208,669 | 212,319 | 216,011 | 219,768 | 223,590 |
| 32           | 233,857 | 238,035 | 242,288 | 246,618 | 251,024 | 255,509 | 260,074 | 264,721 |
| 33           | 289,401 | 298,083 |         |         |         |         |         |         |

Final Tranche

| Salary Grade | Step 1 | Step 2 | Step 3 | Step 4 | Step 5 | Step 6 | Step 7 | Step 8 |
|--------------|--------|--------|--------|--------|--------|--------|--------|--------|
| 1            | 11,068 | 11,160 | 11,254 | 11,348 | 11,443 | 11,538 | 11,635 | 11,732 |
| 2            | 11,761 | 11,851 | 11,942 | 12,034 | 12,126 | 12,219 | 12,313 | 12,407 |
| 3            | 12,466 | 12,562 | 12,658 | 12,756 | 12,854 | 12,952 | 13,052 | 13,152 |
| 4            | 13,214 | 13,316 | 13,418 | 13,521 | 13,625 | 13,729 | 13,835 | 13,941 |
| 5            | 14,007 | 14,115 | 14,223 | 14,332 | 14,442 | 14,553 | 14,665 | 14,777 |
| 6            | 14,847 | 14,961 | 15,076 | 15,192 | 15,309 | 15,426 | 15,545 | 15,664 |
| 7            | 15,738 | 15,859 | 15,981 | 16,104 | 16,227 | 16,352 | 16,477 | 16,604 |
| 8            | 16,758 | 16,910 | 17,063 | 17,217 | 17,372 | 17,529 | 17,688 | 17,848 |
| 9            | 17,975 | 18,126 | 18,277 | 18,430 | 18,584 | 18,739 | 18,896 | 19,054 |
| 10           | 19,233 | 19,394 | 19,556 | 19,720 | 19,884 | 20,051 | 20,219 | 20,387 |
| 11           | 20,754 | 21,038 | 21,327 | 21,619 | 21,915 | 22,216 | 22,520 | 22,829 |
| 12           | 22,938 | 23,222 | 23,510 | 23,801 | 24,096 | 24,395 | 24,697 | 25,003 |
| 13           | 25,232 | 25,545 | 25,861 | 26,181 | 26,506 | 26,834 | 27,166 | 27,503 |
| 14           | 27,755 | 28,099 | 28,447 | 28,800 | 29,156 | 29,517 | 29,883 | 30,253 |
| 15           | 30,531 | 30,909 | 31,292 | 31,680 | 32,072 | 32,469 | 32,871 | 33,279 |
| 16           | 33,584 | 34,000 | 34,421 | 34,847 | 35,279 | 35,716 | 36,159 | 36,606 |
| 17           | 36,942 | 37,400 | 37,863 | 38,332 | 38,807 | 39,288 | 39,774 | 40,267 |
| 18           | 40,637 | 41,140 | 41,650 | 42,165 | 42,688 | 43,217 | 43,752 | 44,294 |
| 19           | 45,269 | 46,008 | 46,759 | 47,522 | 48,298 | 49,086 | 49,888 | 50,702 |
| 20           | 51,155 | 51,989 | 52,838 | 53,700 | 54,577 | 55,468 | 56,373 | 57,293 |

| Salary Grade | Step 1  | Step 2  | Step 3  | Step 4  | Step 5  | Step 6  | Step 7  | Step 8  |
|--------------|---------|---------|---------|---------|---------|---------|---------|---------|
| 21           | 57,805  | 58,746  | 59,707  | 60,681  | 61,672  | 62,678  | 63,701  | 64,741  |
| 22           | 65,319  | 66,385  | 67,469  | 68,570  | 69,689  | 70,827  | 71,983  | 73,157  |
| 23           | 73,811  | 75,015  | 76,240  | 77,484  | 78,749  | 80,034  | 81,340  | 82,668  |
| 24           | 83,406  | 84,767  | 86,151  | 87,557  | 88,986  | 90,439  | 91,915  | 93,415  |
| 25           | 95,083  | 96,635  | 98,212  | 99,815  | 101,444 | 103,100 | 104,783 | 106,493 |
| 26           | 107,444 | 109,197 | 110,980 | 112,791 | 114,632 | 116,503 | 118,404 | 120,337 |
| 27           | 121,411 | 123,393 | 125,407 | 127,454 | 129,534 | 131,648 | 133,797 | 135,981 |
| 28           | 137,195 | 139,434 | 141,710 | 144,023 | 146,373 | 148,763 | 151,191 | 153,658 |
| 29           | 155,030 | 157,561 | 160,132 | 162,746 | 165,402 | 168,102 | 170,845 | 173,634 |
| 30           | 175,184 | 178,043 | 180,949 | 183,903 | 186,904 | 189,955 | 193,055 | 196,206 |
| 31           | 257,809 | 262,844 | 267,978 | 273,212 | 278,549 | 283,989 | 289,536 | 295,191 |
| 32           | 307,365 | 313,564 | 319,887 | 326,338 | 332,919 | 339,633 | 346,483 | 353,470 |
| 33           | 388,096 | 399,739 |         |         |         |         |         |         |

1 (1) Basic salaries. - The rates in the above salary  
 2 schedule represents monthly remuneration for regular or  
 3 contractual personnel whether appointive or elective, and  
 4 on full-time employment. The remuneration for those on  
 5 part-time basis shall be proportionate to the actual  
 6 services rendered.

7 Casual personnel shall be paid a daily wage rate  
 8 computed by dividing the corresponding monthly salary

rate in the above schedule by twenty-two (22) working days.

(2) Step increments. - An employee may progress from step 1 to step 8 of the salary grade allocation of his/her position in recognition of meritorious performance based on a performance management system approved by the Civil Service Commission (CSC) and/or through length of service, in accordance with the rules and regulations to be promulgated jointly by the DBM and the CSC.

Employees authorized to receive longevity pay under existing laws shall no longer be entitled to step increments due to length of service. The grant of step increment based on merit and performance shall be in lieu of the productivity incentive benefit.

(e) Standard Allowances and Benefits. - These are allowances and benefits given to all employees across agencies at prescribed rates, guidelines, rules and regulations, which shall be limited to the following:

1 (1) *Personnel economic relief allowance.* - Allowance  
2 to supplement the basic salary due to the rising cost of  
3 living to be given at Two thousand pesos (P2,000) per  
4 month;

5 (2) *Uniform or clothing allowance.* - To provide for  
6 the payment of the required work attire of government  
7 employees at prescribed rates;

8 (3) *Mid-year bonus.* - Equivalent to one (1) month  
9 basic salary to be given not earlier than May of every year;  
10 and

11 (4) *Year-end bonus and cash gift.* - The Year-end  
12 Bonus is equivalent to one (1) month basic salary and Cash  
13 Gift at prescribed rates. These shall be given not earlier  
14 than November of every year.

15 (f) *Specific-purpose allowances and benefits.* -  
16 These are allowances and benefits given to employees  
17 under certain situations at prescribed rates, guidelines,

1 rules and regulations, which shall be limited to the  
2 following:

3 (1) *Representation and transportation allowances.* -

4 These are given to civilian government personnel  
5 occupying division chief to Department Secretary positions  
6 or equivalent level as may be determined by the DBM at  
7 monthly standard rates in order to defray transportation  
8 and representation expenses while in the actual  
9 performance of the duties of the positions;

10 (2) *Per diem.* - This is a compensation for

11 attendance in meetings in view of membership in collegial  
12 bodies authorized by law;

13 (3) *Honoraria.* - These are token payments in

14 recognition of services rendered beyond the regular duties  
15 and responsibilities of positions;

16 (4) *Night-shift differential.* - This premium is given

17 to an employee whose regular working hours fall wholly or

1 partially within six o'clock in the evening to six o'clock in  
2 the morning of the following day;

3 (5) *Overtime pay.* - This is cash payment for work

4 performed by an employee beyond the regular working  
5 hours in a day; and those performed on rest days, holidays  
6 and non-working days;

7 (6) *Subsistence allowance.* - This is an allowance for

8 meal or sustenance given only to government personnel  
9 who, by the nature of the duties and responsibilities of  
10 their positions have to make their services available at  
11 their places of work even during mealtimes. This shall be  
12 given at the prescribed standard rate;

13 (7) *Hazard pay.* - This is a premium given only to

14 government personnel exposed to hazardous situations  
15 such as, but not limited to, assignment in strife-torn or  
16 embattled areas, distressed or isolated stations, prison  
17 camps, mental hospitals, leprosaria, radiation-exposed  
18 clinics, laboratories or workshops, disease-infested areas

1 and areas declared under state of calamity or emergency  
2 which pose occupational risks or perils to life;

3 (8) *Special counsel allowance.* – This is an  
4 allowance for lawyer personnel in the legal staff of  
5 departments, bureaus or offices of the national government  
6 deputized by the Office of the Solicitor General to appear  
7 in court as special counsel in collaboration with the  
8 Solicitor General or Prosecutors concerned;

9 (9) *Overseas and other allowances for government*  
10 *personnel stationed abroad.* – These are allowances given  
11 to government officials and employees assigned abroad at  
12 such rates authorized under Republic Act No. 7157, as  
13 amended, and its implementing rules and regulations; and

14 (10) Other allowances and benefits granted under  
15 specific conditions and situations, related to the actual  
16 performance of work as may be determined by the DBM.

1 (g) *Incentives and performance-based pay.* –  
2 Benefits which are categorized as incentives and  
3 performance-based pay shall be limited to the following:

4 (1) *Enhanced performance-based bonus.* – This will  
5 be given subject to the achievement by departments or  
6 agencies and individual personnel of their performance  
7 targets and compliance with good governance conditions.  
8 The Inter-Agency Task Force on the Harmonization of  
9 National Government Performance Monitoring,  
10 Information and Reporting Systems created under  
11 Administrative Order No. 25, s. 2011 shall prescribe the  
12 procedures for the grant of this incentive and the  
13 conditions on eligibility. The bonus will be equivalent to  
14 one (1) month up to two (2) months salary, providing for a  
15 progressive rate as the position and responsibility in  
16 improving agency performance becomes higher;

17 (2) *Loyalty incentive.* – This is an incentive to  
18 reward the personnel's loyalty to government service with

1 at least satisfactory performance during his/her milestone  
2 years;

3 (3) *Anniversary bonus.* – This is an incentive to  
4 recognize the personnel's participative efforts in and  
5 contributions to the agencies' continuing and/or viable  
6 existence to be given to employees on the occasion of their  
7 agencies' milestone anniversaries;

8 (4) *Productivity enhancement incentive.* – This will  
9 be given in December of every year at Five thousand pesos  
10 (P5,000) to all government employees to improve their  
11 productivity;

12 (5) *Collective Negotiation Agreement (CNA)*  
13 *Incentive.* – This may be granted to both management and  
14 rank-and-file employees of agencies with approved and  
15 successfully implemented CNAs in recognition of their  
16 efforts in accomplishing performance targets at lesser cost,  
17 and in attaining more efficient and viable operations  
18 through cost-cutting measures and systems improvement.

1 Such CNA incentive shall be sourced from allowable  
2 MOOE items of agencies; and

3 (6) Other existing authorized benefits to be  
4 categorized by the DBM as incentives.

5 (h) *Special allowances.* – The grant of Special  
6 Allowances to certain officials and employees as provided  
7 under Republic Act Nos. 9227, 9279, 9347, 9406 and 9417  
8 shall be considered as an advance implementation of any  
9 subsequent increases in the salary rates under Republic  
10 Act No. 6758, as amended.

11 Accordingly, the full amount of Special Allowances or  
12 portions thereof that have been received shall be converted  
13 as part of basic salaries as a result of the salary increases  
14 authorized pursuant to this Act and such other subsequent  
15 issuances and/or laws authorizing salary adjustments:  
16 *Provided,* That such Special Allowances shall cease to be  
17 granted once the full amount of the authorized Special  
18 Allowances have been received by the employee concerned.

1 (i) *Magna Carta benefits.* – These are the benefits  
 2 authorized for specific officials and employees under  
 3 Magna Carta laws that may be categorized in the Total  
 4 Compensation Framework in accordance with the  
 5 guidelines, rules and regulations to be issued by the DBM.

6 The DBM, in coordination with the agencies  
 7 concerned, shall determine the qualifications, conditions  
 8 and rates in the grant of said benefits. Accordingly, the  
 9 consultative councils, departments and officials previously  
 10 authorized to issue the implementing rules and regulations  
 11 of Magna Carta benefits shall no longer exercise said  
 12 function relative to the grant of such benefits.

13 SEC. 9. *Salary Grade Assignments of Positions.* – The  
 14 salary grades for positions for constitutional officials and  
 15 their equivalent shall be:

| Salary Grade | Position                                   |
|--------------|--|
| 33           | President of the Philippines               |
| 32           | Vice-President of the Philippines          |
| 32           | President of the Senate of the Philippines |

|    |  |
|----|--|
| 32 | Speaker of the House of Representatives                                      |
| 32 | Chief Justice of the Supreme Court   |
| 31 | Senator  |
| 31 | Member of the House of Representatives                                       |
| 31 | Associate Justice of the Supreme Court                                       |
| 31 | Chairman of a Constitutional Commission under Article IX of the Constitution |
| 30 | Member of a Constitutional Commission under Article IX of the Constitution   |

1 Notwithstanding the provisions of law to the contrary, the  
 2 DBM shall review and reclassify as necessary the salary  
 3 grade assignments for positions below those for  
 4 constitutional officials and their equivalent for possible  
 5 modifications in view of organizational, technological,  
 6 professional and other developments, guided by the  
 7 following benchmark positions:

| Position Title          | Salary Grade |
|-------------------------|--------------|
| Administrative Aide I   | 1            |
| Laboratory Aide I       | 2            |
| Administrative Aide III | 3            |
| Administrative Aide IV  | 4            |

| Position Title                          | Salary Grade |
|---|--------------|
| Media Production Aide                   | 5            |
| Medical Laboratory Technician I         | 6            |
| Administrative Assistant I              | 7            |
| Internal Auditing Assistant             | 8            |
| Midwife I                               | 9            |
| Legal Assistant I                       | 10           |
| Teacher I                               | 11           |
| Instructor I                            | 12           |
| Science Research Specialist I           | 13           |
| Executive Assistant I                   | 14           |
| Nurse II                                | 15           |
| Medical Officer I                       | 16           |
| Assistant Professor III                 | 17           |
| Social Welfare Officer III              | 18           |
| Engineer III                            | 19           |
| Pharmacist V                            | 20           |
| Medical Officer III                     | 21           |
| Supervising Science Research Specialist | 22           |
| Attorney III                            | 23           |
| Chief Administrative Officer            | 24           |
| Director I                              | 25           |
| Director II                             | 26           |
| Director III                            | 27           |
| Director IV                             | 28           |
| Department Assistant Secretary          | 29           |

I        **SEC. 10. Compensation for Local Government Unit**  
2        *Personnel.* – The salaries, allowances, benefits and  
3        incentives of LGU personnel shall be based on the rates  
4        authorized herein and those determined by the DBM,

1        subject to the PS limitation under Sections 325 and 331 of  
2        Republic Act No. 7160 and authority from the sanggunian  
3        as provided under Sections 447(a), 458(a) and 468(a) of  
4        Republic Act No. 7160.

5        In the implementation of the salary increases, LGUs  
6        shall likewise ensure compliance with the following:

7        (a) The salaries of LGU personnel that may be  
8        authorized shall not exceed the percentage of the Salary  
9        Schedule prescribed for the respective LGUs' income  
10       classification stated below:

|                | Percentage of the Salary Schedule |                    |
|----------------|-----------------------------------|--------------------|
|                | For Provinces/Cities              | For Municipalities |
| Special Cities | 100%                              |                    |
| 1st Class      | 100%                              | 90%                |
| 2nd Class      | 95%                               | 85%                |
| 3rd Class      | 90%                               | 80%                |
| 4th Class      | 85%                               | 75%                |
| 5th Class      | 80%                               | 70%                |
| 6th Class      | 75%                               | 65%                |

1 (b) The rates of RATA shall be determined based on  
2 the above income class schedule.

3 (c) The basic pay of barangay personnel shall be in  
4 the form of honoraria which shall not exceed the  
5 percentage of the salary schedule adopted by the LGU to  
6 which it belongs. They may likewise receive year-end  
7 bonus based on the monthly honoraria as of October 31 of  
8 the year and cash gift of Five thousand pesos (P5,000).

9 However, the minimum year-end bonus of One  
10 thousand pesos (P1,000) for the punong barangay and Six  
11 hundred pesos (P600) for other mandatory barangay  
12 officials shall not be subject to the PS limitation.

13 (d) In case of partial implementation of the  
14 authorized compensation rates, the same shall be at  
15 uniform percentage across all positions for every LGU.

16 SEC. 11. *Military and Uniformed Personnel.* - The  
17 military personnel of the Department of National Defense  
18 (DND) and the uniformed personnel of the Department of

1 the Interior and Local Government (DILG), the Philippine  
2 Coast Guard (PCG) and the National Mapping and  
3 Resource Information Authority (NAMRIA) shall be  
4 covered by the Base Pay Schedule, as follows:

| DND                 | DILG                  |                    | PCG                                   | NAMRIA                                | Monthly Base Pay |                |               |                |
|---------------------|-----------------------|--------------------|---------------------------------------|---------------------------------------|------------------|----------------|---------------|----------------|
|                     | BJMP and BFP          | PNP and PPSC       |                                       |                                       | First Tranche    | Second Tranche | Third Tranche | Fourth Tranche |
| Candidate Soldier   |                       |                    |                                       |                                       | 11,622           | 11,991         | 12,372        | 12,764         |
| Private             | Fire/Jail Officer I   | Police Officer I   | Apprentice Seaman/ Seaman Third Class | Apprentice Seaman/ Seaman Third Class | 15,256           | 15,691         | 16,138        | 16,597         |
| Private First Class |                       |                    | Seaman Second Class                   | Seaman Second Class                   | 16,521           | 17,109         | 17,719        | 18,351         |
| Corporal            | Fire/Jail Officer II  | Police Officer II  | Seaman First Class                    | Seaman First Class                    | 17,639           | 18,372         | 19,137        | 19,933         |
| Sergeant            |                       |                    | Petty Officer III                     | Petty Officer III                     | 18,589           | 19,474         | 20,401        | 21,372         |
| Staff Sergeant      | Fire/Jail Officer III | Police Officer III | Petty Officer II                      | Petty Officer II                      | 19,644           | 20,673         | 21,757        | 22,898         |

| DND                            | DILG                         |                           | PCG                              | NAMRIA                           | Monthly Base Pay |                |               |                |
|--------------------------------|------------------------------|---------------------------|----------------------------------|----------------------------------|------------------|----------------|---------------|----------------|
|                                | BJMP and BFP                 | PNP and PPSC              |                                  |                                  | First Tranche    | Second Tranche | Third Tranche | Fourth Tranche |
| Technical Sergeant             |                              |                           | Petty Officer I                  | Petty Officer I                  | 21,313           | 22,534         | 23,824        | 25,189         |
| Master Sergeant                | Senior Fire/Jail Officer I   | Senior Police Officer I   | Chief Petty Officer              | Chief Petty Officer              | 23,124           | 24,560         | 26,086        | 27,707         |
| Senior Master Sergeant         | Senior Fire/Jail Officer II  | Senior Police Officer II  | Senior Chief Petty Officer       | Senior Chief Petty Officer       | 25,088           | 26,770         | 28,563        | 30,477         |
| Chief Master Sergeant          | Senior Fire/Jail Officer III | Senior Police Officer III | Master Chief Petty Officer       | Master Chief Petty Officer       | 27,306           | 29,363         | 31,574        | 33,952         |
| First Chief Master Sergeant    | Senior Fire/Jail Officer IV  | Senior Police Officer IV  | First Master Chief Petty Officer | First Master Chief Petty Officer | 29,826           | 32,437         | 35,277        | 38,366         |
| Cadet                          |                              | Cadet                     | Cadet                            |                                  | 29,826           | 32,437         | 35,277        | 38,366         |
| Probationary Second Lieutenant |                              |                           |                                  |                                  | 29,826           | 32,437         | 35,277        | 38,366         |
| Second Lieutenant              |                              |                           | Ensign                           | Ensign                           | 32,937           | 36,228         | 39,848        | 43,829         |
| First Lieutenant               | Inspector                    | Inspector                 | Lieutenant Junior Grade          | Lieutenant Junior Grade          | 35,977           | 40,022         | 44,522        | 49,528         |

| DND                | DILG                  |                         | PCG                     | NAMRIA                  | Monthly Base Pay |                |               |                |
|--------------------|-----------------------|-------------------------|-------------------------|-------------------------|------------------|----------------|---------------|----------------|
|                    | BJMP and BFP          | PNP and PPSC            |                         |                         | First Tranche    | Second Tranche | Third Tranche | Fourth Tranche |
| Captain            | Senior Inspector      | Senior Inspector        | Lieutenant Senior Grade | Lieutenant Senior Grade | 39,729           | 44,699         | 50,291        | 56,582         |
| Major              | Chief Inspector       | Chief Inspector         | Lieutenant Commander    | Lieutenant Commander    | 42,458           | 48,313         | 54,975        | 62,555         |
| Lieutenant Colonel | Superintendent        | Superintendent          | Commander               | Commander               | 46,479           | 53,608         | 61,830        | 71,313         |
| Colonel            | Senior Superintendent | Senior Superintendent   | Captain                 | Captain                 | 50,767           | 59,220         | 69,081        | 80,583         |
| Brigadier General  | Chief Superintendent  | Chief Superintendent    | Commodore               | Commodore               | 55,452           | 65,421         | 77,182        | 91,058         |
| Major General      | Director              | Director                | Rear Admiral            | Rear Admiral            | 60,570           | 72,273         | 86,236        | 102,696        |
|                    |                       |                         | Vice Admiral            | Vice Admiral            | 66,012           | 79,251         | 95,147        | 114,235        |
| Lieutenant General |                       | Deputy Director General | Admiral                 | Admiral                 | 71,453           | 88,228         | 104,058       | 125,574        |
| General            |                       | Director General        |                         |                         | 82,384           | 100,551        | 122,723       | 149,785        |

1 The remuneration for military and uniformed personnel  
 2 shall be reckoned on a separate Total Compensation  
 3 Framework, to be authorized by the President of the  
 4 Philippines, which shall include: (i) base pay, including  
 5 longevity pay; (ii) standard allowances and benefits; (iii)  
 6 specific-purpose allowances and benefits; and (iv)  
 7 incentives and performance-based pay.

8 All existing types of allowances and benefits for  
 9 military and uniformed personnel shall continue to be  
 10 authorized.

11 Notwithstanding the provisions of Presidential  
 12 Decree (P.D.) No. 1638 and Republic Act No. 8551, and  
 13 considering the pendency of the passage of a pension  
 14 reform law establishing a sustainable and just pension  
 15 system for military and uniformed personnel, the  
 16 indexation of pension benefits of retired military and  
 17 uniformed personnel with the base pay for those in the

1 active service shall be suspended insofar as the base pay  
 2 increase authorized in this Act.

3 SEC. 12. *Exempt Entities.* - Exempt entities refer to:  
 4 (i) government agencies that are not covered by the CPCS  
 5 authorized under Republic Act No. 6758, as amended; (ii)  
 6 GOCCs governed by the CPCS established by GCG under  
 7 Republic Act No. 10149; and (iii) those authorized by law  
 8 and have actually adopted their own compensation and  
 9 position classification system: *Provided, That* exempt  
 10 entities which still follow the salary rates for positions  
 11 covered by Republic Act No. 6758, as amended, are entitled  
 12 to the salary adjustments due to the implementation of  
 13 this Act, until such time that they have implemented their  
 14 own compensation and position classification system.

15 Exempt entities shall be governed by their respective  
 16 compensation and position classification systems which  
 17 shall be made effective upon the recommendation of the  
 18 DBM and approval by the President of the Philippines.

1 Any increase or adjustments thereon shall be similarly  
2 subject to the foregoing recommendation and approval.

3 All exempt entities shall submit their existing  
4 compensation and position classification systems and their  
5 implementation status to the DBM.

6 SEC 13. *Non-diminution in the Basic Salaries of*  
7 *Incumbent Employees.* – There shall be no diminution in  
8 the basic salaries of incumbent employees as a result of  
9 changes in the CPCS for civilian government personnel.  
10 This shall not apply to any other instances such as in the  
11 case of voluntary demotion.

12 SEC. 14. *Prohibition on Additional Compensation.* –  
13 Government agencies, including GOCCs/GFIs and LGUs  
14 are hereby prohibited from assessing or charging other  
15 government entities, GOCCs/GFIs or LGUs for services  
16 rendered by its officials and employees as part of their  
17 regular functions for purposes of paying additional  
18 compensation to said officials and employees.

1 SEC. 15. *Implementation Schedule.* – For National  
2 Government employees, the Salary Schedule in Section  
3 (8)(d) and the Base Pay Schedule in Section 11 shall be  
4 implemented in four (4) equal yearly tranches but in no  
5 case beyond four (4) years: *Provided,* That the initial  
6 implementation shall take effect on January 1, 2016.

7 For GOCCs and LGUs, the implementation period  
8 shall be at least four (4) years depending on their financial  
9 capabilities: *Provided,* That the initial implementation  
10 shall not be earlier than January 1, 2016, subject to the PS  
11 limitation for LGUs under Sections 325 and 331 of  
12 Republic Act No. 7160.

13 SEC. 16. *Applicability to Certain Officials.* –  
14 Pursuant to Section 6 of Article VII and Section 10 of  
15 Article VI of the Constitution, the salaries prescribed  
16 herein for the President of the Philippines, Vice President  
17 of the Philippines and members of Congress shall take

1 effect only after the expiration of the respective terms of  
2 the present incumbents.

3 The implementation of this Act with respect to the  
4 regular Members of the Cabinet shall be effective starting  
5 July 1, 2016.

6 SEC. 17. *Funding Source.* – The funding sources for  
7 the amounts necessary to implement this Act shall be as  
8 follows:

9 (a) For national government agencies, the amount  
10 shall be charged against the appropriations set aside for  
11 the purpose in the FY 2016 General Appropriations Act,  
12 Thereafter, such amounts as are needed shall be included  
13 in the annual General Appropriations Act.

14 (b) For GOCCs, the amounts shall come from their  
15 respective corporate funds in the corporate operating  
16 budgets approved by DBM. Government corporations  
17 which do not have adequate or sufficient funds shall only  
18 partially implement the established rates: *Provided*, That

1 any partial implementation shall be at uniform proportion  
2 of the established rates for all positions in each  
3 government corporation; and

4 (c) For LGUs, the amounts shall be charged against  
5 their respective local government funds in accordance with  
6 the pertinent provisions of this Act and Republic Act No.  
7 7160.

8 SEC. 18. *Separability Clause.* – If for any reason any  
9 section or provision of this Act is declared to be  
10 unconstitutional or invalid, the other sections or provisions  
11 thereof which are not affected thereby shall continue to be  
12 in full force and effect.

13 SEC. 19. *Applicability of Presidential Decree No. 985*  
14 *as Amended by Presidential Decree (P. D.) No. 1597.* – All  
15 provisions of P.D. No. 985, as amended by P.D. No. 1597,  
16 Republic Act No. 6758, Congress Joint Resolution No. 1, s.  
17 1994 and Congress Joint Resolution No. 4, s. 2009 which  
18 are not inconsistent with, expressly modified, revoked or

1 repealed in this Act shall continue to be in full force and  
2 effect.

3 SEC. 20. *Repealing Clause.* - All laws, decrees,  
4 orders, rules or regulations or parts thereof inconsistent  
5 with the provisions of this Act are hereby repealed,  
6 amended, or modified accordingly.

7 All other laws inconsistent with this Act, such as, but  
8 not limited to, P.D. No. 1638, Republic Act Nos. 4670,  
9 6686, 7160, 7305, 8439, 8441, 8551, 9173, and 9433 are  
10 hereby amended.

11 SEC. 21. *Implementing Guidelines.* - The DBM shall  
12 issue the guidelines necessary to implement specific  
13 provisions of this Act.

14 SEC. 22. *Effectivity.* - This Act shall take effect on  
15 January 1, 2016 after its official publication in the *Official*  
16 *Gazette* or two (2) newspapers of general circulation.

Approved,