

[LETTER OF IMPLEMENTATION NO. 104, October 12, 1979]

AUTHORIZING THE IMPLEMENTATION OF STANDARD COMPENSATION AND POSITION CLASSIFICATION PLANS FOR THE FINANCIAL INSTITUTIONS GROUP OF GOVERNMENT-OWNED OR CONTROLLED CORPORATIONS

WHEREAS, pursuant to the mandate of the Constitution, Presidential Decree No. 985 was issued to standardize compensation of government officials and employees, including those in government-owned or 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 the 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 interest which presently maintain differing compensation and position classification plans, the said Decree and subsequently Letter of Instructions No. 62 created Compensation Committees to formulate and recommend policies and standards governing classification, compensation, allowances, and incentives for such groups of corporations;

WHEREAS, Letter of Instructions 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 or 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 Financial Institutions group of corporations;

1. Scope of the Plan – The Position and Classification Plans for the Financial Institutions group shall apply to the following corporations included under this sector:

- Central Bank of the Philippines
- Development Bank of the Philippines
- Government Service Insurance System
- Home Financing Corporation
- Land Bank of the Philippines
- Philippine Amanah Bank
- Philippine Deposit Insurance Corporation
- Philippine Veterans Investment Development Corporation
- Philippine National Bank
- Social Security System

2. Position_Classification – Positions shall be classified using a Classification Method applied on the basis of the pre-determined standards/factors. The position classification plan for each of the corporations in the financial institutions group shall be determined on the basis of these standards/factors and approved ,by the Minister of the Budget pursuant P. D. No. 985.

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

4. Salaries for Top Three (3) 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 corporation shall be as follows:

Governor/Chairman/President	P96,000
Senior Deputy Governor/Vice-Chairman/	91,200
Executive Vice President	
Deputy Governor/Senior Vice President/	84,000
Supervising Governor	

Provided, That the Central Bank of the Philippines shall enjoy a 10% advantage over compensation received by the other institutions; Provided further, That salaries of subordinate positions shall be less than those of superior positions; and Provided, finally, That salaries actually being received by any of the top three officials in excess of those rates may continue.

5. Maximum Level of 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:

- a. Cost of living allowance of 40% basic pay or P300 per, month, whichever is higher;
- b. Children's allowance of 30.00 per child, not to exceed 4 children;
- c. Amelioration allowance of 10% of basic pay or P50 per month, whichever is higher;
- d. Meal subsidy of P3.00 per day per officer/employee;
- e. Existing policy on, representation and transportation allowances shall be maintained;
- f. No profit sharing, bonus payments, or increases in pension fund benefits shall be made without the approval of the