

BY THE PRESIDENT OF THE PHILIPPINES

EXECUTIVE ORDER NO. 40

IMPLEMENTATION OF THE THIRD TRANCHE OF THE MODIFIED SALARY SCHEDULE FOR CIVILIAN PERSONNEL AND BASE PAY SCHEDULE FOR MILITARY AND UNIFORMED PERSONNEL IN THE GOVERNMENT

WHEREAS, the Philippine Government has adopted the modified Salary Schedule for civilian personnel and the Base Pay Schedule for military and uniformed personnel as authorized in the Senate and House of Representatives Joint Resolution No. 4 (s. 2009) which shall be implemented in four (4) yearly tranches for personnel in national government agencies (NGAs);

WHEREAS, for personnel in government-owned or controlled corporations (GOCCs), government financial institutions (GFIs), and local government units (LGUs), the implementation of the modified Salary Schedule shall be in at least four (4) years depending on their financial capabilities, pursuant to item (13) of the Joint Resolution;

WHEREAS, the first tranche of the modified Salary Schedule and Base Pay Schedule have been implemented effective 1 July 2009 for personnel in NGAs, GOCCs, and GFIs, and effective 1 January 2010 for personnel in LGUs;

WHEREAS, the second tranche of the modified Salary Schedule and Base Pay Schedule have been implemented effective 24 June 2010 for personnel in NGAs, GOCCs, and GFIs, and effective 1 January 2011 for personnel in LGUs; and

WHEREAS, Republic Act (RA) No. 10147, the FY 2011 General Appropriations Act (GAA), provides appropriations under the Miscellaneous Personnel Benefits Fund (MPBF) for the implementation of the third tranche of the modified Salary Schedule and Base Pay Schedule for personnel in NGAs;

NOW, THEREFORE, I, BENIGNO S. AQUINO III, President of the Philippines, by virtue of the powers vested in me by, do hereby order:

SECTION 1. Coverage and Exclusion.

- (a) Civilian Personnel – The compensation adjustments due to the implementation of the third tranche of the modified Salary Schedule shall cover all positions for civilian personnel in the Executive, Legislative, and Judicial Branches, the Constitutional



Commissions/Offices, State Universities and Colleges, GOCCs, GFIs, and LGUs, whether regular, casual, or contractual in nature, appointive or elective, on full-time or part-time basis, now existing or hereafter created.

- (b) Military and Uniformed Personnel – The compensation adjustments due to the implementation of the third tranche of the modified Base Pay Schedule shall cover the military personnel under the Department of National Defense (DND) and uniformed personnel under the Department of the Interior and Local Government (DILG), Philippine Coast Guard (PCG), and National Mapping and Resource Information Authority (NAMRIA).
- (c) The following are excluded from the coverage of the compensation adjustments:
 - (i) Individuals and groups of people whose services are engaged through job orders, contracts of service, or others similarly situated; and
 - (ii) Civilian personnel in government entities which are exempted from RA No. 6758 and are authorized by law to adopt and are actually implementing their own compensation and position classification systems approved by the Office of the President.

SECTION 2. Implementation of the Third Tranche Monthly Salary Schedule for Civilian Personnel of the National Government. The Salary Schedule attached as Annex “A,” which is the third tranche of the modified Salary Schedule provided in item (4)(b) of Joint Resolution No. 4, shall be implemented effective 1 June 2011 for personnel in NGAs, and in GOCCs and GFIs.

SECTION 3. Implementation of the Third Tranche Monthly Base Pay Schedule for Military and Uniformed Personnel. The Base Pay Schedule attached as Annex “B,” which is the third tranche of the modified Base Pay Schedule in item (8) of Joint Resolution No. 4, shall be implemented effective 1 June 2011.

SECTION 4. Implementation of the Third Tranche Monthly Salary Schedule for LGU Personnel. The implementation of the third tranche of the modified Salary Schedule for LGU personnel shall be determined by the *sanggunian* concerned based on the LGU income class and financial capability: *Provided*, That such salary rates shall not exceed the following applicable percentages of the rates in Annex “A,” pursuant to item (7)(a) of Joint Resolution No. 4: *Provided*, Further, That the resulting Personal Services (PS) cost shall not exceed the PS limitation in LGU budgets, as provided under Sections 325(a) and



331(b) of RA No. 7160: *Provided*, Finally, That there shall be no diminution in the basic salaries of incumbents for purposes of complying with said PS limitation.

Percentages of Salary Rates in Annex "A"		
	For Provinces/Cities	For Municipalities
Special Cities	100%	
1 st Class	100%	90%
2 nd Class	95%	85%
3 rd Class	90%	80%
4 th Class	85%	75%
5 th Class	80%	70%
6 th Class	75%	65%

For this purpose, the DBM shall issue the Third Tranche Monthly Salary Schedule for Local Government Personnel for each LGU income class to take effect not earlier than 1 January 2012.

SECTION 5. Inapplicability to Certain Officials. In accordance with Section 10, Article VI of the Constitution, no increase in compensation shall take effect until after the expiration of the full term of all the Members of the Senate and the House of Representatives approving such increase.

SECTION 6. Funding. The fund sources for the amounts necessary to implement the provisions of this Executive Order shall be as follows:

- (a) For NGAs, the amounts shall be charged against the appropriation for the purpose under the MPBF in the FY 2011 GAA and from available savings. Thereafter, such amounts as may be needed shall be included in the annual GAA;
- (b) For GOCCs and GFIs, the amounts shall be charged against their respective corporate funds in the approved corporate operating budgets; and
- (c) For LGUs, the amounts shall be charged against their respective local government funds.

SECTION 7. Uniform Implementation in Case of Insufficiency of Funds.

- (a) GOCCs and GFIs which do not have adequate or sufficient funds shall implement salary schedules which shall be at uniform percentages of the rates in Annex "A."



- (b) LGUs which do not have adequate or sufficient funds to implement the salaries authorized for their LGU income classes shall implement salary schedules which shall be at uniform percentages of the rates in the respective Third Tranche Monthly Salary Schedules for Local Government Personnel.

SECTION 8. Implementing Rules and Regulations. The DBM shall issue the necessary rules and regulations to implement this Executive Order.

SECTION 9. Separability Clause. If any provision of this Executive Order is declared invalid or unconstitutional, the other provisions not affected thereby shall remain valid and subsisting.

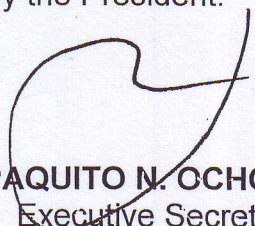
SECTION 10. Repealing Clause. All orders, rules, regulations, and issuances, or parts thereof, which are inconsistent with this Executive Order, are hereby repealed, amended, or modified accordingly.

SECTION 11. Effectivity. This Executive Order shall take effect immediately.

DONE in the City of Manila this 29th day of April, in the year of our Lord, Two Thousand and Eleven.



By the President:



PAQUITO N. OCHOA, JR.
Executive Secretary



**Third Tranche Monthly Salary Schedule for Civilian National Government Personnel
Effective June 1, 2011
(In Pesos)**

Salary Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
1	8,287	8,393	8,501	8,610	8,721	8,834	8,948	9,064
2	8,932	9,047	9,162	9,281	9,400	9,522	9,646	9,772
3	9,628	9,751	9,876	10,004	10,133	10,265	10,398	10,534
4	10,358	10,491	10,626	10,763	10,904	11,045	11,189	11,335
5	11,145	11,288	11,434	11,581	11,732	11,884	12,040	12,197
6	11,992	12,146	12,302	12,462	12,624	12,788	12,955	13,125
7	12,880	13,045	13,213	13,384	13,558	13,734	13,913	14,096
8	13,833	14,011	14,192	14,375	14,561	14,750	14,942	15,138
9	14,857	15,048	15,242	15,439	15,639	15,842	16,048	16,257
10	15,948	16,153	16,360	16,571	16,786	17,003	17,225	17,449
11	17,099	17,318	17,540	17,765	17,994	18,227	18,464	18,703
12	18,333	18,568	18,805	19,047	19,291	19,541	19,793	20,050
13	19,658	19,908	20,162	20,420	20,682	20,948	21,219	21,493
14	21,078	21,346	21,618	21,894	22,174	22,459	22,748	23,041
15	22,688	22,994	23,305	23,621	23,941	24,266	24,598	24,934
16	24,423	24,752	25,085	25,424	25,767	26,117	26,472	26,832
17	26,292	26,644	27,002	27,366	27,736	28,110	28,491	28,878
18	28,305	28,684	29,068	29,458	29,854	30,256	30,666	31,080
19	30,474	30,880	31,292	31,711	32,137	32,568	33,008	33,453
20	32,810	33,246	33,688	34,140	34,596	35,059	35,530	36,009
21	35,219	35,685	36,158	36,638	37,125	37,620	38,123	38,633
22	37,812	38,310	38,815	39,327	39,848	40,376	40,913	41,457
23	40,604	41,136	41,676	42,223	42,778	43,343	43,916	44,498
24	43,612	44,179	44,756	45,340	45,934	46,537	47,148	47,769
25	46,848	47,456	48,071	48,696	49,330	49,974	50,628	51,292
26	50,334	50,982	51,642	52,310	52,988	53,676	54,374	55,083
27	54,088	54,782	55,487	56,201	56,926	57,662	58,408	59,166
28	58,132	58,874	59,628	60,392	61,167	61,953	62,752	63,562
29	62,488	63,282	64,088	64,905	65,735	66,576	67,431	68,296
30	67,944	68,814	69,697	70,592	71,500	72,422	73,356	74,305
31	79,729	80,777	81,841	82,921	84,017	85,130	86,261	87,408
32	91,226	92,425	93,642	94,878	96,132	97,405	98,698	100,011
33	107,470							

**Third Tranche Monthly Base Pay Schedule for Military and Uniformed Personnel
Effective June 1, 2011
(In Pesos)**

DND	DILG		PCG and NAMRIA	Monthly Base Pay
	BJMP and BFP	PNP and PPSC		
Candidate Soldier				10,386
Private	Fire/Jail Officer I	Police Officer I	Apprentice Seaman/ Seaman Third Class	13,492
Private First Class			Seaman Second Class	14,472
Corporal	Fire/Jail Officer II	Police Officer II	Seaman First Class	15,359
Sergeant			Petty Officer III	16,126
Staff Sergeant	Fire/Jail Officer III	Police Officer III	Petty Officer II	16,986
Technical Sergeant			Petty Officer I	18,286
Master Sergeant	Senior Fire/Jail Officer I	Senior Police Officer I	Chief Petty Officer	19,685
Senior Master Sergeant	Senior Fire/Jail Officer II	Senior Police Officer II	Senior Chief Petty Officer	21,193
Chief Master Sergeant	Senior Fire/Jail Officer III	Senior Police Officer III	Master Chief Petty Officer	22,817
First Chief Master Sergeant	Senior Fire/Jail Officer IV	Senior Police Officer IV	First Master Chief Petty Officer	24,567
Cadet		Cadet		24,567
Probationary Second Lieutenant				24,567
Second Lieutenant			Ensign	26,868
First Lieutenant	Inspector	Inspector	Lieutenant Junior Grade	28,839
Captain	Senior Inspector	Senior Inspector	Lieutenant Senior Grade	31,251
Major	Chief Inspector	Chief Inspector	Lieutenant Commander	32,942
Lieutenant Colonel	Superintendent	Superintendent	Commander	35,380
Colonel	Senior Superintendent	Senior Superintendent	Captain	38,003
Brigadier General	Chief Superintendent	Chief Superintendent	Commodore	40,828
Major General	Director	Director	Rear Admiral	43,872
			Vice Admiral	47,150
Lieutenant General		Deputy Director-General	Admiral	51,283
General		Director General		57,500

