

EXECUTIVE ORDER NO. 102

Implementing Cost Containment Measures by Instituting Restrictions on Government Hiring, Travel and Expenditures

WHEREAS, the Republic of Palau has been burdened with a deficit before and since this Administration took office in FY '88; and

WHEREAS, the failure of the Compact of Free Association places the Republic of Palau in the position of being dependent upon annual appropriations from the United States for funds for the operation of the government; and

WHEREAS, the United States Congress has appropriated funds for the Republic of Palau for FY '91 in an amount significantly less than is needed for operations expenses in FY '91; and

WHEREAS, inflation has increased the costs to the government of providing the same services to the people of the Republic of Palau; and

WHEREAS, the Republic of Palau will not have sufficient funds available to meet its financial obligations in FY'91; and

WHEREAS, unless stringent restrictions are now imposed on government spending, all employees of the government will be faced with pay-less or partially deferred paydays before the end of the fiscal year;

THEREFORE, by virtue of the authority vested in me as President, it is hereby declared, proclaimed, and ordered as follows:

1. Commencing on June 1, 1991 all government vacancies within the National Government, all forms of promotion, all annual within grade increase, and all new hiring shall be frozen forthwith, excepting those positions for which employment contracts have already been executed.
2. Commencing on June 1, 1991 for the pay period beginning May 19, 1991 until further notice all Directors and Administrators are instructed to organize their work schedules to eliminate overtime.
3. Commencing on June 1, 1991 no government travel shall be allowed outside of the Republic of Palau unless otherwise deemed absolutely necessary and specifically approved by the President.
4. Effective immediately, all categories of government expenditures, except expenditures relating to essential functions of the government, are to be reduced by not less than thirty percent. Furthermore, all encumbrance letters shall be approved by the Minister of Administration.

This Order shall take effect upon its issuance, unless revoked, rescinded or otherwise rendered ineffective.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal this 30th day of May, 1991, in the State of Koror, Republic of Palau .

Ngiratkel Etpison
President
Republic of Palau