

EXECUTIVE ORDER NO. 53

Implementing Cost Containment Measures by Instituting Mandatory Reduction in Personnel Costs

WHEREAS, the Republic of Palau has been burdened with an increasing deficit; and

WHEREAS, the Republic of Palau will not have sufficient funds available to meet its financial obligations in Fiscal Year 1987; and

WHEREAS, Executive Order 51 asked the employees of the National Government to voluntarily participate in a cost reduction plan, by which 20% of their income would be withheld until funds are available; and

WHEREAS, the employees of the National Government have overwhelmingly supported and participated in the cost reduction plan of Executive Order 51; and

WHEREAS, a few employees of the National Government have elected not to voluntarily participate in the cost reduction plan of Executive Order 51; and

WHEREAS, the National Government continues to experience a severe financial crisis, and a solution to that crisis requires a reduction in wage and salary payments to all government employees; and

WHEREAS, the National Civil Service Board has instituted an emergency amendment to Part 8.3 of the rules and regulations of the Public Service System,

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

1. Employees who have not volunteered to participate in the cost reduction plan of Executive Order 51 shall forthwith reduce their hours of work per pay period by 20%. An amount equivalent to twenty percent of the bi-weekly pay of each such employee shall be withheld for purposes of temporarily reducing government expenditures.
2. The temporary reduction of work hours and of compensation for employees affected by the terms of this Order shall continue for a time not less than that of the employees voluntarily reducing pay by the terms of Executive Order 51.
3. Executive Order 51, shall remain in effect in accordance with its terms and conditions.

This Order shall take effect upon its issuance, unless revoked, rescinded or otherwise rendered ineffective.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

4th day of February, 1987, in the State of Koror, Republic of Palau.

Lazarus E. Salii
President